

Total of unemployed falls for first time in seven months

The number of unemployed in Britain fell by 4,900 last month, the first decrease in seven months. The figures confound the forecasts of a growing total of jobs and will be welcome to the Government as being in line with its official objectives.

In the three months to October 14 unemployment rose at an average monthly rate of 8,500, against a 16,800 average for the three months to September and 19,200 in the three months to August. Independent forecasters had suggested a rise of between 20,000 and 25,000 a month in the autumn and winter.

October figure down 4,900

Unemployment fell last month for the first time in seven months and confounded the forecasts of an increase in the number of jobless which have become commonplace recently. In Britain the total fell by 4,900 in the month to October according to figures released yesterday by the Department of Employment, but it rose by 500 in Ireland.

and has said that official policy will be to keep the total under a million next year. The small increase is therefore clearly in accordance with government objectives. Indeed, some commentators have said that the July financial statement with its refractory reduction in value-added tax, may be partly responsible for the stronger employment trend in the last two or three months.

The most notable feature was a drop of almost 2,000 in the number in Scotland, a much larger decline than for any other region. Scotland was also the only region where the number of unfilled vacancies increased. When was the number in Britain as a whole fell by 6,100 after seasonal adjustment, and by 4,400 before seasonal adjustment, there was a rise in Scotland of almost 700.

Kissinger-Brezhnev talks overcome initial coolness

From Edmund Stevens, Moscow, Oct 24 Dr Henry Kissinger, the American Secretary of State, and his advisers returned to the Kremlin this afternoon for further talks with Mr Leonid Brezhnev, the Soviet Communist Party leader and Russian officials.



Mr Brezhnev and Dr Kissinger shake hands as they meet before the start of their talks in the Kremlin.



The Duchess of Gloucester

Son born to Duchess of Gloucester

The Duchess of Gloucester, formerly Miss Birgitte van Deus of Denmark, gave birth to a son early yesterday morning. The baby was two months premature, and born by Caesarean section.

EEC summit in Paris at end of next month

Invitations to a new summit meeting in Paris at the end of November, have been sent to all EEC heads of government, President Giscard d'Estaing announced yesterday. It would discuss, among other things, limitations of the right of veto in the EEC Council of Ministers. This would involve a transfer of sovereignty, but France was prepared to accept that.

Court Line inquiry

The Parliamentary Commissioner (Ombudsman) has decided to investigate the part played by Mr Benn, Secretary of State for Industry, in the Court Line affair. In a letter to Mr Eldoo Griffiths, Opposition front bench spokesman on industry, the Ombudsman says he will investigate Mr Benn's statement in June on Court Line's trading position, after a complaint from one of Mr Griffiths's constituents.

Ceasefire stays: Ulster Volunteer Force staff officers announce continuation of year-old policy despite pressure from their own members

Birth control: Government urged to allow pregnancy advisory charity to be paid for performing abortions that the NHS cannot cope with

Cinemas decline: Closures over several years have left many towns with no cinema, the British Film Institute reports

European Parliament: Dutch member's plan for direct elections in 1980 by the Community's 180 million voters is likely to be approved

America: Mr Ford appeals for frugality, a return to traditional virtues and blunts the 'food weapon' in a Midwest speech

Insurance: Rescue operations mounted in Jessel and Edward Bates offshoots

Investment in Iran: 12-page Special Report examines the opportunities for foreign investors

Allaghan apology in navy visit dispute

Michael Hatfield, Secretary of State for Defence, said today that the visit to South Africa by the British Navy was a success and that the Royal Navy had made a contribution to the struggle against apartheid.

Tory whips' resignations not linked with crisis

Although three Conservative whips have resigned there is no indication, it is understood, that their departure is connected with the party's leadership crisis.

Gelignite tied under car of woman magistrate

From Arthur Osman, Birmingham An army bomb disposal team defused a gelignite device found to Birmingham yesterday, attached to the underside of a car belonging to the wife of a retired officer.

New threat to food by lorry strikers

Leaders of the three-week-old Scottish lorry drivers' strike yesterday drew up plans to intensify their action, with the aim of halting all food supplies in Scotland.

Sir Keith enigmatic

Sir Keith Joseph pointedly refused to endorse Mr Heath as leader of the Conservative Party when he was interviewed on Thames Television last night, our Political Staff writes.

On other pages

Features, pages 16 and 19 Adam Ferguson concludes his examination of the effects of roadway inflation; with the prospect of a referendum over the EEC in mind, Professor Richard Rose points out the dangers of legislation by popular ballot.

Leading articles: The Conservative Party; Strikes in Scotland; The Simonstovoa naval visit.

Philip French reviews Stardust and other new films in London, Irving Wardle The Gingerbread Lady, by Neil Simon, and Alao Coren BBC's new situation comedy Second Time Around.

Stock market: Gold shares advanced strongly in late dealings, but Industrials had a quieter session. The FT ordinary share index ended 0.3 down at 199.4. Pages 20, 25

Business Editor: Unhappiness about the Stock Exchange compensation fund; Dunlop better than long-term.

Business features: A long-term investment fund for industry is advocated by Peter Readman and Anthony MacLean; Charles Hargrove shows how France is easing the pain of joblessness. Page 23

Business Diary: A testing time for ICI's next chairman. Another royal charter for the accountants. Page 23

Stress held at airport

Mr Joseph Ashton, Labour MP for Bassetlaw, committed 'a serious contempt' against the privileges of the House of Commons when he asserted in a BBC interview that a weekly of April 76 that a number of MPs had for money surrendered their freedom of action as parliamentarians to outside bodies.

Labour MP apologizes for 'serious contempt'

Mr Joseph Ashton, Labour MP for Bassetlaw, committed 'a serious contempt' against the privileges of the House of Commons when he asserted in a BBC interview that a weekly of April 76 that a number of MPs had for money surrendered their freedom of action as parliamentarians to outside bodies.

Mr Nixon goes back to hospital for treatment

Mr Nixon was last night readmitted to hospital in Long Beach, California, for further treatment of his pleuritis.

Cardinal Heenan

Cardinal Heenan Archbishop of Westminster, who is 69, was readmitted to Papworth Hospital, Cambridge, yesterday suffering from an asthma attack and associated chest infection, 17 days after recovering from a heart attack.

Sir Adrian Boulton

Sir Adrian Boulton, aged 85, the conductor, is making satisfactory progress in a London hospital after an operation for removal of the prostate gland.

Advertisement for Trader Vic's at One, The Restaurant beneath the London Hilton. Phone 493 7586. Includes illustration of people dining.

Table with exchange rates for various currencies including Belgium, Germany, France, and the Netherlands.

HOME NEWS

UVF to maintain its ceasefire in spite of internal pressure

From Robert Fisk Belfast A squad of black uniformed and masked brigade staff officers in the Ulster Volunteer Force, probably the most powerful of the Protestant private armies in Northern Ireland, announced yesterday that their year-old ceasefire would continue in spite of pressure from within their own movement and that they were not responsible for the present campaign of sectarian murders.

The press conference may well have been intended to put further pressure on the British Government to release "loyalist" internees and to gain concessions for sentenced prisoners in the Maze prison. The anonymous officer said that 17 UVF members were still interned, although the organization was maintaining a ceasefire; those men should be released, he said, and a two-thirds remission given to those who had been convicted.

The Government, it said, was still pursuing a policy of detention without trial for UVF members and results in the election campaign in West Belfast earlier this month—in which the UVF's own candidate gained fewer than 3,000 votes—indicated "that the ordinary people did not want the UVF outside of its military role."

The UVF had been branded as communist after the formation of the UVF political grouping, the "Volunteers' Political Party," and that had resulted in a large proportion of public support being withdrawn from it. In a statement remarkably similar to some that have been issued in the past by the Provisionals, the document went on: "The UVF does not need to maintain a ceasefire in order to obtain a place at the conference or any other such conference on Ulster's future. We will be there because there will be no settlement without our consent. The use of military action alone is the only message to which the Government will listen."

Police step up security in belief that IRA bombings will intensify

By Clive Borrell and Christopher Walker The latest outbreak of bomb attacks by the Provisional IRA on Establishment targets in and around London has led to a new security operation being mounted by Scotland Yard. Senior detectives fear that the bombing campaign may greatly increase during the next few days.

Every nook and cranny in the vast complex of corridors, offices and debating chambers at the Houses of Parliament is being thoroughly searched day and night by police officers and Westminster staff. Security will be especially tight for the state opening of Parliament on Tuesday.

So far this year the IRA is believed to have been responsible for the planting of 43 time-bombs, most of them in the London area. One disturbing fact which has emerged recently is the recruiting campaign being conducted by the Provisionals to enlist the active support of dissident extremists to plan their attacks.

Minister urged to end 'loophole' in race Act

Urgent action to amend the law to close a "loophole" under which a colour bar may operate in working men's clubs was called for yesterday by Sir Geoffrey Wilson, chairman of the Race Relations Board. Home Secretary, Sir Geoffrey says that he hopes that until the law is changed Mr Jenkins will "make it abundantly clear that colour bars such as those at the Dockers Club and similar clubs affiliated to the Club and Institute Union are contrary to public policy and will, as soon as possible, be made unlawful."

Lord Avon looks back at the dictators

The man who negotiated face to face with the dictators who have stalked and savaged this century gives his final verdict on some of them tonight. Lord Avon, in a rare interview on BBC television, reminisces about Hitler, Stalin and Mussolini. He says "I would much rather do business any day of the week with Stalin than with Hitler. Or, put it another way, if I was going into negotiation, I would much rather have Stalin on my side than Hitler. He says "I was impressed by the ruthlessness coming through all the time. He was at the same time a man, I felt, of great power. I always had an admiration for Stalin's gifts."

Some assurance for owners of suspect buildings

By our Planning Reporter The Institution of Structural Engineers yesterday offered limited reassurance to owners and tenants of buildings constructed with high alumina cement (hac) concrete. In two months of field inspections and assessments, the institution found very few cases where the roof or floor was near to collapse because of hac alone. Most hac concrete units had converted unfavourably and showed a current or future trend towards low strength, but that did not necessarily imply inadequate strength.

Drop garden waste in—Shovel rich compost out

Advertisement for Rotocrop 'Accelerator' compost bin. The Rotocrop 'Accelerator' compost bin will help you turn garden waste—normally a problem to get rid of—into rich compost, quickly and at negligible cost. When you feed your 'Accelerator' bin week by week you will be able to remove rich compost continuously from the bottom. The cylindrical shape speeds the decomposition. There are no corners to cool off or fermentation heat extends right to the edges of the heap. Like wood it has good insulating properties. But unlike wood it won't rot and will last for years. Because ventilation is so vital throughout the preparation of compost, the Rotocrop 'Accelerator' incorporates 5 vents in each of the eighteen precision extruded panels. Let's just the right amount of air in without losing heat or moisture. A heavy polythene cover keeps heat in and rain out. In a matter of weeks when your compost is ready—at ground level first—you can dig out the amount you need from the bottom, after lifting up any of the panels. Or you can remove the entire wall. There's no more reliable way of making compost quickly than with the Rotocrop 'Accelerator' compost bin. An active too in Natural Green PVC. Price £4.25 including VAT and freight costs.

Weather forecast and recordings

Weather forecast and recordings section. Includes maps for 'NOON TODAY' and 'Today' with pressure, wind, and temperature data for various regions like London, SE, central S, SW, and NW. Also includes 'Area forecasts' for different parts of the UK and 'Today' weather details.

Sir Keith 'only recently' began to become a Conservative

Sir Keith Joseph, shadow Home Secretary, said last night that he had "only recently" started to become a Conservative. In a television interview, Sir Keith, who last weekend spoke of the nation's moral state and birth control, said he had come to reject the "fashionable obsession" with egalitarianism. "I have only recently become a believer, a passionate believer in the virtues of decentralization and individual responsibility and in the indispensability of incentives and rewards. I have only recently started to become a Conservative."

Lord Avon looks back at the dictators

The man who negotiated face to face with the dictators who have stalked and savaged this century gives his final verdict on some of them tonight. Lord Avon, in a rare interview on BBC television, reminisces about Hitler, Stalin and Mussolini. He says "I would much rather do business any day of the week with Stalin than with Hitler. Or, put it another way, if I was going into negotiation, I would much rather have Stalin on my side than Hitler. He says "I was impressed by the ruthlessness coming through all the time. He was at the same time a man, I felt, of great power. I always had an admiration for Stalin's gifts."

Pension payments 'hidden taxation', Mr Powell says

By Our Social Services Correspondent State pensions are paid for through an elaborate pantomime of politics to disguise tax insurance. Mrnoch Powell, United Ulster Unionist MP for Down South, says today. But he predicts that the pretence that national insurance contributions actually pay for the individual's pension must end as pensions increase and the numbers drawing them rise.

Women at Oxford

The arrival of women for the first time as members of men's colleges at Oxford is described in Ian Bradley's "The Higher Education Supplement". There are also articles on Wittgenstein and Haldane, and the series "A level and After".

IRA bombings will intensify

The renewed bombing campaign in Britain also results from a boost in the Provisional army council, which regards the publicity as invaluable towards the goal of persuading the British to pull troops out of Ulster. Intelligence sources in Northern Ireland maintain that publicity, more than any other single reason, has encouraged the change in British targets. Elaborate and dangerous attacks on heavily guarded military targets have been found to be getting no more coverage than small devices planted at "soft" prestige targets.

Ray of hope in union talks with Hawker

By a Staff Reporter After talks between Hewker Siddeley and trade union leaders in London yesterday over the company's decision to scrap the HS 146 airline project neither side would reveal the outcome. Mr James Greening, chairman of the unions' HS 146 co-ordinating committee, said workers would be told about the talks today. "The fact that we have talked for four hours and are reporting to our workers must indicate some ray of hope, if you like," he said.

Correction

A report on Tuesday stated incorrectly that the Department of Health was financing a £33,000 research project to determine the best treatment for back pain. The grant of £33,000 was awarded by the Arthritis and Rheumatism Council and is in addition to £50,000 already granted.

Large advertisement for Hine Cognac. Features the headline "Why Hine cognac should cost more" and an image of a bottle of Hine Cognac. Text includes "Inside every bottle of Hine Cognac, there's over 200 years' experience. The firm to which Dorset-born Thomas Hine gave his name has been distilling and selecting Cognac since 1763. Only the very best Cognacs are selected to carry the famous Hine labels. Like all craftsmanship, this doesn't come cheaply. Even so, careful shopping might uncover a bottle of Hine for no more than ordinary Cognacs. So you can enjoy the connoisseurs' Cognac without having a connoisseurs' wallet."

Advertisement for Rotocrop 'Accelerator' compost bin. Includes details about the product, its benefits, and contact information for Rotocrop Limited, 648 Brighton Road, Putney, Surrey, CR2 2UP.

Form for requesting a Rotocrop 'Accelerator' compost bin booklet. Includes fields for Name, Address, and T.T.2. Text: "Please send me a Rotocrop 'Accelerator' compost bin and helpful booklet on compost making. I enclose cheque/PO for £4.25. BLOCK CAPITALS. Name: Address: T.T.2. Rotocrop Limited, 648 Brighton Road, Putney, Surrey, CR2 2UP."

Vertical text on the right edge of the page, including "Blake powerle", "Why again?", and "study".

HOME NEWS

New talks agreed in Scottish lorry drivers' strike, but food supplies are threatened

From John Chartres Glasgow
As the number of workers laid off by the three-week-old Scottish lorry drivers' strike grew to an estimated 12,000 yesterday, strike officials sought to intensify the dispute and halt food supplies throughout the country.

Four but those printed elsewhere in Scotland would be subject to local negotiations.
The only other concessions would be to hospitals, which have not so far been affected by the dispute, and to essential supplies for troops serving in Northern Ireland, which are being shipped through Ardrossan.

Further north, the malt whisky distilleries are running short of barley and storage space and this weekend five distilleries - Banff, Brackla, in Nairn, Clynelish, in Sutherland, Glenlochy and Teaninich, in Ross-shire, will stop production. Another seven malt distilleries are expected to halt operations next week.

Mr Douglas Hardie, the vice-minister, said he thought it was too early yet for the Government to take emergency powers but that was a possibility in the future.
The Prime Minister has written to Mr Edward Taylor, Conservative MP for Glasgow, Carmichael, saying that the Government had powers to intervene if essential services or supplies were threatened but that at this stage the Cabinet had no intention of doing so.



Mr Malcolm Binns rehearsing on a nineteenth-century piano, one of a number on which he played at the Queen Elizabeth Hall, London

Talks may lead to £80 rise for top pilots

By Arthur Reed Air Correspondent
Talks between British Airways and the British Air Line Pilots Association (Balpa) on an agreement that would give pilots pay rises of up to £80 a week, were at an advanced stage last night.

£11,000 a year, depending on seniority and experience and the type of aircraft they operate. Senior men in the overseas division receive £11,000 in the European division £10,000, and in the regional division £8,000.

Power station workers seek all-round rises

By Paul Routledge Labour Editor
Union leaders of 105,000 power station manual workers yesterday decided to seek a wage reconstruction agreement similar to the 10 per cent all-round increases conceded to higher-paid skilled engineers last week.

white-collar Electrical Power Engineers' Association (EPEA) were intended to reduce wage differentials created by blue-collar militancy over the past few years.

Scottish dispute will mean dearer fish in England

Prices of some fresh fish will rise in England because of the transport workers' dispute in Scotland, the fishmongers' national trade organization said yesterday. It was reluctant to estimate the degree to which prices will be affected, but the combination of disrupted deliveries and poor weather will undoubtedly push some prices up.

Food prices

Hugh Clayton

found in supermarket promotions on frozen fish and in butchers' reductions on cheap cuts of meat. Tesco is selling 14oz packs of Birds Eye cod steaks 40p, at least 10p below the usual price in most shops.

Lord Blake disputes view 'powerless' monarchy

Lord Blake, the constitutional expert, last night challenged two of contemporary political orthodoxy: that since the last war the government has been formed into Prime Ministerial cabinets; and that in the constitution the role of the monarch is purely ceremonial and of element of discretion survives the royal role.

something very like that on occasions in their lives. Lord Blake, inviting the answer "no" asked: "Irrespective of both the Crown's acceptance of such circumstances that the great majority of ministers were strongly against it?"

Unity against tenza study

Leeds University's acquisition of pathology is the way in which the way become immune to it.

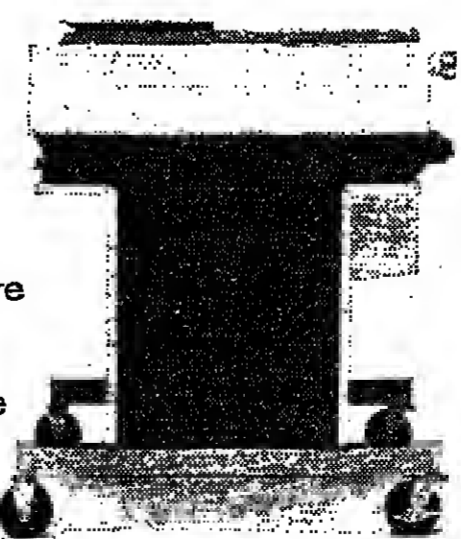
Man died stuck in window

A man who locked himself out died when he was stuck in a window of his flat while trying to get back inside, an inquest at Nottingham was told yesterday.



This gave Rank Xerox an idea

Rank Xerox has taken a long hard look at the tea-trolley. It gave them an idea - the new Xerox 3100. Like the tea-trolley, it's a convenient and practical way of saving time and money.



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Leeds: Minerva House, 29 East Parade, Leeds LS1 6SY. Tel: 0532-40644. Leicester: 28 Charles Street, Leicester LE1 1LR. Tel: 0533 29132. Liverpool: 5th Floor, Foster House, Canning Place, Liverpool L1 8JY. Tel: 051-719 3664. Luton: Central House, Crawley Road, Luton LU1 1TE. Tel: 0452 41824.
Manchester: 5th Floor, Bank House, Christie Street, Manchester M1 4EE. Tel: 061-222 2211. Newcastle: 1st Floor, 27-25 Grainger Street, Newcastle-upon-Tyne NE1 5JH. Tel: 0208 82076.

HOME NEWS

Navy's shipbuilding plans delayed by shortage of money

By Our Defence Correspondent
The Royal Navy has been told to prepare for substantial delays in its shipbuilding programme over the next few years because of shortage of funds. The construction of new frigates and destroyers is likely to be affected whatever happens in the defence review.

Work will be put back on four of the six 3,500-ton Type-42 or Sheffield-class destroyers; the Cardiff, which has already been launched, the Coventry, Glasgow and Newcastle.

The first members of the crew, who were told to join the Cardiff while she was being completed, are understood to have been dispersed. Officers and ratings who were to attend specialist courses in preparation for service in the other three ships have been told not to report and have been diverted to postings elsewhere.

Other ships likely to be affected by the slowing of naval construction are the Ardent and Avenger, the last two of the eight 2,500-ton Amazon or Type-21 fast frigates. The first of the class, HMS Amazon, which was launched by Princess Anne three years ago, was completed last year.

Serious doubts must also now surround the eight Type-22 frigates, the first of which was ordered from Yarrow in the Clyde this year. The Type-22s are intended to be the eventual replacement for the Navy's 26

Leander frigates, and were to be named after weapons, with the first two to be Broadsword and Battleaxe.

Plans for yet another class of cheap, basic utility frigates will have to be reviewed, and the Navy is having to consider extending the life of a number of elderly escort vessels it had been planning to phase out of service during the next five to 10 years.

Work seems unlikely to go ahead on a new conventionally powered submarine which has been under consideration at the ministry.

Frigates and destroyers are certainly destined to bear the brunt of naval economies, past or future. The present force of 76 is expected to be reduced drastically by the end of the decade.

Delays in the construction programme may have effects upon several British shipyards, including Yarrow, Swan Hunter on the Tyne and Cammell Laird at Birkenhead.

The Navy is anxious to save HMS Invincible, the first of a new class of anti-submarine cruisers, from the worst effects of the defence review. The result of the review is not expected to be announced until the new year, probably not until February. But ministers should have reached a number of decisions next month before beginning a series of consultations with Britain's allies.

Government urged to end abortion 'injustice'

By Pat Healey
Social Services Correspondent
The Government is facing increasing pressure to provide better birth control facilities, including abortion, and more public information on population issues.

Today it is being asked to pay Britain's highest charitable abortion agency to carry out the abortions the health service cannot cope with. Yesterday a coalition of population groups handed in a letter at 10 Downing Street urging better public education and more aid to the third world.

The British Pregnancy Advisory Service, a charity providing 25,000 abortions a year, argues today that it should be paid on an agency basis because the health service cannot meet the demand. Such an arrangement would allow the service to provide free or cheap abortions and help to remove the injustice of allowing some women to have free treatment while obliging many more to pay in full.

The service wants an arrangement similar to that which existed between the Family Planning Association and local authorities before family planning was transferred to the health service. The association provided clinics and other contraceptive services as the local authority agent.

The service, in a discussion



A group of "rabbits" in Downing Street yesterday on their way to present a letter to Mr Wilson expressing concern at overpopulation. Diary, page 16.

paper on the Lane report on the Abortion Act, says it would be happy to be taken over eventually by the health service but suggests that it will be many years before that is possible. Agency status and permission to perform outpatient abortions would do more to abate the injustice of some women having to pay for their abortions than any other easily implemented and practicable measure.

The service ran a six-month trial of outpatient abortions at its Brighton nursing home earlier this year, under stringent conditions imposed by the Department of Health and Social Security. Its paper suggests that the conditions should be reduced to those recommended by the Lane report because experience showed that it was unnecessary to reserve a bed

for every woman having an outpatient abortion. The Population Action Group, a coalition of nine population organizations, yesterday demanded better public education on birth control and more overseas aid in a letter handed in at No 10. World population was expected to double within 30 years, the letter said, and if the importance of world prob-

lems was not recognized any short-term progress would be illusory.

The delegation to No 10 included a dozen people dressed as rabbits. Their message, they said, was in stark contrast to the recent remarks on birth control made by Sir Keith Joseph. It was nonsense to single out one section of the community as especially in need of birth control.

Fire-fighting methods 'have to be tougher'

By a Staff Reporter
A "deplorable" 65 per cent increase in the value of property destroyed by fire in Britain shows a need for tougher measures to stop flames spreading, as well as to prevent outbreaks, Mr K. L. Holland, Chief Inspector of Fire Services, says in his annual report.

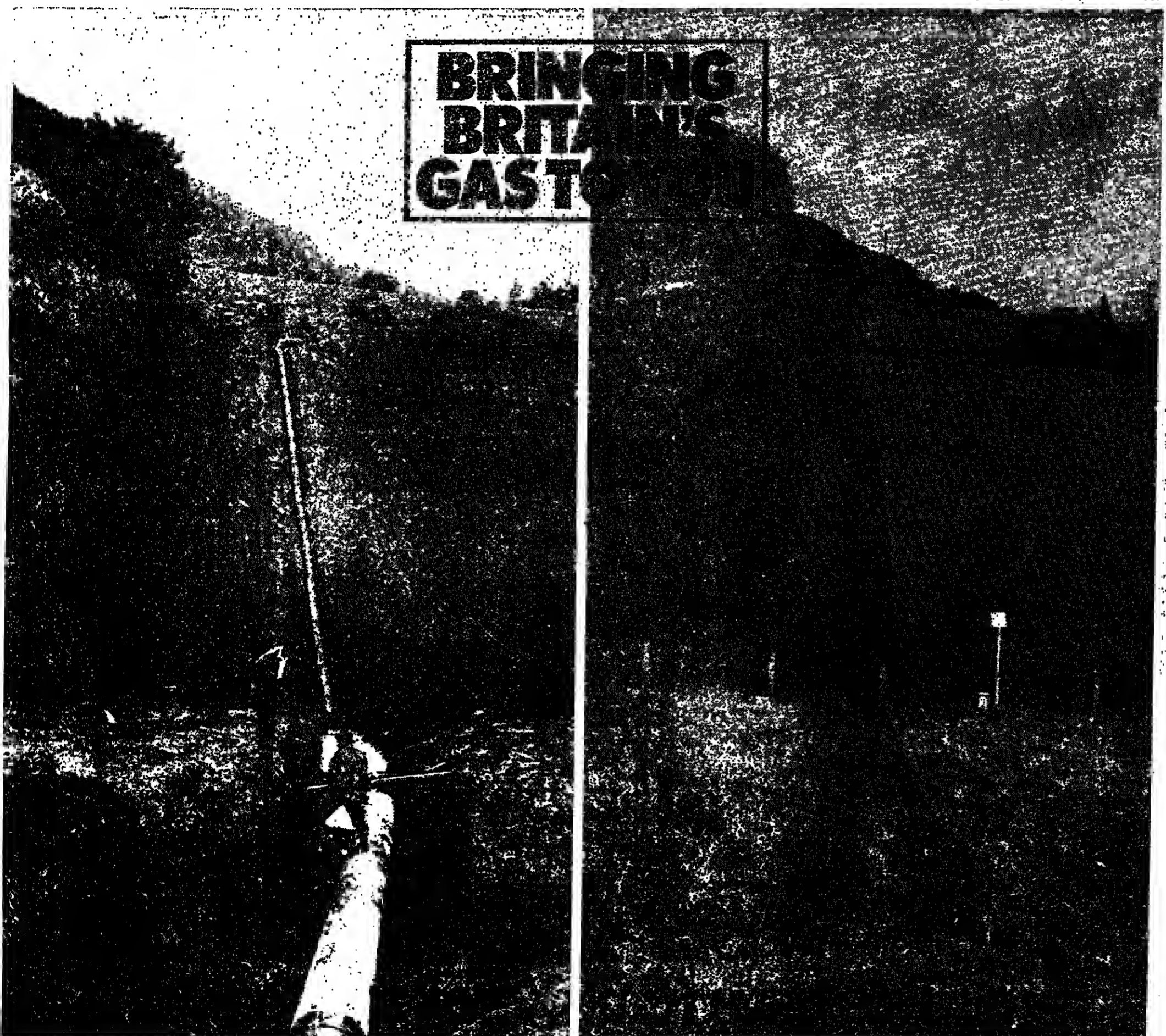
The increase, from £108.5m in 1972 to an estimated £179.3m in 1973, "seems due not so much to a greater number of fires but to the number of fires which developed into very extensive disasters", Mr Holland says.

Greater efforts are needed in planning to minimize damage, he says. "No management can afford to ignore the need not only to prevent fires breaking out but to ensure that, if they do break out, they can be quickly controlled."

A total of 758 people died and 4,930 people were injured in fires in 1973, compared with figures of 775 and 4,732 in 1972. Two firemen were killed and 307 seriously injured.

The number of fires attended in England and Wales, apart from chimney fires, rose by nearly 11 per cent from 261,630 to 289,956.

Fire prevention visits and inspections rose by 50,000 to nearly 800,000. Mr Holland says that about 30,000 hotel and boarding house proprietors had still not applied for a fire certificate by the end of August.



BRINGING BRITAIN'S GAS TO YOU

Lord Goodman's remedy 'dangerous'

From Christopher Warman
Local Government Correspondent
Bournemouth

Lord Goodman's suggested solution for Britain's housing problems given in the Richard Dimbleby television lecture on Tuesday was dismissed as "arrogant and dangerous nonsense" by a planning expert addressing the conference of the International Union of Local Authorities (IULA) yesterday.

Professor Barry Cullingworth, director of the Scottish Planning Exchange, complained that Lord Goodman's assessment had epitomized the belief that complex social problems could be reduced to simple issues permitting of simple solutions. "Only the simpleminded can believe this in 1974", he said.

His fierce criticism of Lord Goodman, chairman of the Housing Corporation and of the National Building Agency, was itself attacked by delegates to the conference, which is organized by the British section of IULA.

Mr R. P. Dilleigh, leader of Northampton Borough Council, accused Professor Cullingworth of complacency, and, summing up the feelings of several delegates, said that while local authority people would disagree with a lot of what Lord Goodman had said it was not good enough to dismiss him in that facile way. Professionals such as Professor Cullingworth did not have to deal with the problems of homeless families, as did local authorities.

Professor Cullingworth, unrepentant, replied that Lord Goodman's approach was that of one who had suddenly discovered a housing problem out there. He described as incredible Lord Goodman's statement in the lecture that it was imperative for people to be housed before starting to educate them or find them jobs.

"Only a single-minded, frustrated administrator could utter such nonsense", he continued. "We have far too many examples of what happens when we do precisely this. Politicians have been pressed to build houses, and this they did, with the result that they are now areas around our cities which consist of little else."

Lord Goodman's remedies would make matters worse. His wrong diagnosis led inevitably to wrong solutions. "His idea appears to be to take housing away from local government and central government as well, and establish a single authority having total autonomy."

"If this proposal came from an academic it would be dismissed out of hand. Coming from the chairman of the Housing Corporation and the National Building Agency there is a danger that some may take it seriously."

Speaking on "The rapid growth of cities—the paradox of decline" Professor Cullingworth said it was clear with hindsight that we had assumed that urban growth policies would benefit not only those who moved to new towns, expanding towns and peripheral estates but also those who remained, whether in older suburbs or in redevelopment schemes. "We are beginning to appreciate now that the way to tackle urban deprivation is not to hope that it will go away as grand, large-scale urban and regional plans are implemented, but to plan much more as a process and much less as the long-term fulfilment of plans. If this is accepted then a major element in the process is what happens to people, what their feelings and hopes are and what role they can play in improving the physical and social environment in which they live."

Mother's ban on pocket money 'led boy to crime'

Judge Solomon, at Middlesex Crown Court yesterday told a Kilburn woman that her stubborn refusal to give her 15-year-old son pocket money had led him into crime.

Allowing an appeal against a three-month detention centre order made by Willesden Juvenile Court when the boy admitted being involved in three burglaries involving property and cash worth £30, the judge said there was nothing wrong with him except that he had been deprived of pocket money.

Judge Solomon substituted a supervision order for the detention sentence but refused to interfere with a £30 compensation order.

The mother said she could not afford to give the boy 50p

Garages plan a special service for disabled

By Our Motoring Correspondent
The Petroleum Retailer's Association is launching a special scheme to give Britain's 50,000 disabled motorists a special consideration at filling stations.

The initiative follows the approach to the garage trade by Mr Morris, Parliamentary Under-Secretary of State for Disabled, who is worried about the difficulties created for handicapped drivers by the spread of self-service petrol stations.

Disabled drivers will be able to show cards indicating they require service. A free guide will be published in the spring giving details of garages

Court tells townspeople 'beware of these boys'

From Our Correspondent
Huddersfield

Householders in Huddersfield were warned by a magistrate yesterday to beware of two boys, aged 13, who admitted 73 offences between them but who could not be locked up because of their youth. In Bradford on Tuesday a similar warning was given about a persistent thief aged 11.

Huddersfield juvenile magistrates were told that the two boys had between them stolen cash and property worth over £200 after breaking into houses. One had run away from a community home and the other from his own home.

Miss Maureen Freeman, chairman of the juvenile court, said: "The only thing we can do is tell the people of Huddersfield to beware. Several protests have already been made by this bench about

young boys who commit offence after offence, but under the present laws we are powerless to ensure that they are kept under proper control and discipline."

The boys were sent to community homes by Mr Robert MacMurray, court officer of local social service department, said that because the boys were under 14 their security could not be guaranteed there. When Mr Alan Kay, clerk to the magistrates, said the magistrates had been pressing the Home Office for some time for more secure local accommodation for young offenders, Mr MacMurray replied: "There is not any available in this area."

One of the boys had admitted 38 offences and the other 35. They told the court they had spent most of their stolen money on gambling machines and food.

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HOME NEWS

Cinema closures cause concern for future of UK film industry

By a Staff Reporter

Closures have left many medium and small size towns without a cinema and the British Film Institute is concerned not only about this but about the future of feature film production in Britain.

"Unless cinema is to become essentially a historical subject," the institute's annual report says, "the continuance of a healthy production and exhibition industry is of crucial concern to the institute in its role of fostering the art of the film."

Lord Lloyd of Hampstead, chairman of the BFI, said the rapidly rising costs of materials and services, the rates of salaries and wages, and by no means trivial factors such as VAT exceeded anything that had been experienced in recent years.

He also warned bodies in receipt of grant-aid from the institute that it was quite impossible to expect the extent of their response; that was to dispel a misunderstanding that aid received in the past meant that there was some kind of legal or moral obligation to give comparable support in subsequent years.

£400,000 request: The BFI is seeking a £400,000 grant from the Department of Education and Science to enable it to move into centralized headquarters in the West End of London.

The institute, at present scattered between five offices in Soho and Bloomsbury, is negotiating to lease a seven-storey office block with cinema on the site of the former Scala Cinema in Charlotte Street, near Tottenham Court Road, to combine its administrative and library services.

Besides money to pay for alterations, the BFI will also need planning permission from the local authority, Camden Council, to convert the 400-seat basement cinema into 10 small preview theatres and viewing cubicles.

Since any move would leave unaffected the operations of the National Film Theatre on the South Bank, the institute has no use for the large auditorium, although it was built as a public cinema. The showroom on the ground floor would be converted to a film reference and borrowing library.

Mr Alan Hill, deputy director of the institute, said yesterday: "This move would not only make us more efficient but would also provide a way of getting people to the services we offer. Communications are a severe problem, especially in moving film between our offices, and centralizing in one building would help staff relations."

It is understood that the annual rent would be about £250,000.

Consultants promise to fight for pay beds

A committee of hospital consultants, representing the British Medical Association, the British Dental Association and the Royal Colleges and Faculties, has committed itself to campaign for the preservation of private practice "both within and outside the NHS".

Private practice was needed to ensure the maintenance of standards of knowledge and skill, the encouragement of education and research, and the best use of those skills and resources.

The freedom of the individual patient, which was promised when the health service was formed, must be preserved.

Details of the commitment by the joint committee are given in the British Medical Journal Supplement, published yesterday.

Dr Clifford Astley, chairman of the Central Committee for Hospital Medical Staffs, said: "We must take a stand on this. We cannot agree to phase out, taking a premium to go full time."

The future of private practice is being examined by a working party chaired by Dr David Owen, Minister of State for Health. But the Government is already committed to phasing pay beds out of the health service.

It has been suggested that consultants will be given a substantial pay rise if they agree to work full time for the health service.

Under one roof: Latin for the retired dockers, tuition for the child genius

By Tim Devlin Education Correspondent

A private day school which is prepared to give retired dockers free Latin lessons in a group of children of all ages, abilities, and backgrounds was opened yesterday in the East End of London.

The experimental Gatehouse school is housed in an old and bomb-damaged school building on Bethnal Green. It has 300 pupils, aged between two and a half and 15. But Mrs Phyllis Wallbank, the headmistress, announced at the opening ceremony that the doors were now to be thrown open to the rest of the community.

She said: "Education should be limited to a particular group. We have a plan for segregating the local old age pensioners. We hope they will be to us."

Maybe somebody leaving docks would want to learn Latin. We would want to help anyone who just cannot read. We will find a tutor for them a little bit of the day at their own pace.

They would not have to pay money but in return they would be to teach a child something about the old days in Bethnal Green, or perhaps one of the old traditional games like hop-scotch or marbles, which are dying out. The school in its embryonic form was started by Mrs Wallbank, a former children's officer in Buckinghamshire, in 1948 on a dress allowance from her husband, a clergyman. It had 10 children and was housed in the gatehouse of the Priory Church of St Bartholomew the Great, Smithfield, in the City. After the school expanded to three separate buildings but



Dr Huddleston: "East End is best."

gifts from the Tesco chain and from the Variety Club of Great Britain have now made it possible for all the pupils to be again under one roof.

The school was formed into a charitable trust in 1964 and has attracted the attention of educationalists in Sweden, France, and America. But £60,000 more is needed to give the school central heating.

All the children wear red and grey uniforms. Mrs Wallbank said that about 10 are "super-

normal", with intelligence quotients of more than 170.

Thirty-seven pupils are handicapped: nine is blind, others are brain-damaged, psychotic, mongol, epileptic, retarded, dyslexic, spastic, autistic, or suffering from spina bifida or neurological disorders.

About 75 children come from deprived families in the locality. Most are from one-parent families or families living in one room. Mrs Wallbank said, about 60 are maladjusted.

The school's fees are from £65 to £113 a term, but under the terms of the trust, fees are reduced or waived for a tenth of the children. The fees of many other children are paid by local authorities.

Mrs Wallbank said the school aimed to allow each child, helped by other children, to develop its full potential. Each pupil should receive about 30 minutes' individual tuition a day.

The Bishop of Stepney, Dr Huddleston, who opened the school, said: "The best accommodation for any experimental experiment is not to be found in the arid wastes of suburbia but in the East End of London."

Dr Huddleston went on to say that the British were obsessed with the idea that they were doomed unless they could secure improved economic status.

"Nothing could be more false", he said. "The truth of the matter is that economic structures and systems are a reflection of people's underlying spiritual values. If we cannot recover our spiritual realities, there is no future for us and we shall meet total and deserved disaster."

Bomb-trial girl 'not bitter about husband's death'

Edith Ward, who claims to be the widow of Michael McVerry, a member of the IRA, at Wakefield Crown Court today that she did not feel towards the soldiers who killed him. She had not known he had been killed in an IRA attack on a police station but just been told he was shot dead while he was shooting a man.

John Cobb, QC, for the prosecution, asked her: "Were you at that time filled with grief and hatred? Why do you smile?"

She replied: "I told Edith that if he was shot at the soldiers, he was shot for it. He got as good as he gave. I was not bitter against the soldiers, because he told me what he was doing."

Cobb asked: "What did Edith do for a living?" She replied: "I was on the bread line." He never expressed any views on the Northern Ireland situation, she said.

Ward, aged 25, of Leax Road, Brinnington, is accused of the IRA coach bombing explosion causing explosions in the streets at the National Defence Centre and at Enston station. She pleads not guilty to the charges.

Ward told Mr Cobb that she who said they had been scratched on her arm was wrong. She had been carrying a banner at a demonstration and had been a black banner to wear. It was Sinn Fein demonstration to protest was not intended to be the IRA, she said. Cobb asked her if she regretted the "acts of terrorism and cowardice" committed by the IRA. She said she did not. Mr Cobb said: "If you believe in acts of terrorism, why don't you go and join it? Disassociate yourself from it, condemn it?"

Miss Ward replied: "You cannot disassociate yourself from something you are not associated with."

Mr Cobb then asked Miss Ward about documents found in her possession. "Why, when you deplore the IRA so much, did you have in your possession a document so full of viciousness and hatred?" he asked.

Miss Ward said that she had not really taken any notice of it. "If you have quite a few papers, you just throw them into your bag and forget about them", she said.

Mr Cobb asked her what picture she wished the jury to have of her involvement with Irish organizations. She replied that she had been involved only with Sinn Fein and the Irish Civil Rights. She was opposed to violence and to the IRA, but she had come to love Ireland very much and became an Irish citizen after her marriage to Michael McVerry.

Miss Ward agreed that she had told the police that she had collected the Euston bomb from a man called Alec Roundtree, but said there was no truth in that. She made it because she feared reprisals against her nephew, threatened by Mr and Mrs John Hardy, who were really Kieran McMorrow and Marlene Coyle.

She went with "Hardy" to Derby, she said, but denied that she went to collect "a substance" and bring it back to Manchester.

Miss Ward also denied that she had been "propositioned" into placing the bomb on the soldiers' coach or that she got drunk in a public house on the night the coach blew up because she knew the dreadful thing was going to happen.

She admitted telling a woman prison officer that only three people knew about the bomb, "myself, McMorrow and Marlene Coyle".

The trial was adjourned until today.

Town hall that might fall down is closed

Front Our Correspondent

An immediate closure order was placed on Buckingham town hall yesterday when councillors learnt that it was in danger of falling down. The building has dominated the centre of the old market town since the seventeenth century and now needs a £200,000 restoration if it is to be retained.

The estimate includes £30,000 for rewiring, for a survey has shown that the building might go up in flames at any minute.

The town hall, a listed building, cannot be demolished without a public inquiry. The Vale of Aylesbury District Council, which has taken over the borough, must spend £35,000 simply to make the building safe for passers-by.

Mr Derek Pullen, a former mayor, has said that half the townspeople would like the hall demolished. By Mrs Dana Embleton, also a former mayor, said yesterday that 60 people at a meeting were in favour of keeping the hall and only three were against.

Incitement charge

William Hetherington, aged 40, a local government officer, of Cambridge Road, and Robert Thomas, aged 30, a unit operator, of Claude Road, both Cardiff, were remanded on bail of £100 each until Wednesday by the magistrate at Bow Street, London, yesterday, charged with conspiring with others to contravene the Incitement of Disaffection Act 1934, by agreeing to try to seduce members of the forces to desert.

Trains delayed

Train services were delayed for about an hour yesterday because diesel fuel had spilled on the track from a train which was damaged when it ran into a pile of bricks on the track at Lichfield.



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HOME NEWS

Cattle prices down again after recovery

By Our Agricultural Correspondent Evidence of a sharp reversal of last week's slight recovery in cattle prices came yesterday as an official of the National Union of Agricultural and Allied Workers urged his members not to cooperate in slaughtering calves.

The Meat and Livestock Commission reported that the average United Kingdom auction price for fat steers and heifers was about £13.10 a live cwt compared with £13.38 a week before. The National Farmers' Union said: "The figures are a little bit at variance with ours, but the trends are the same. The market is not recovering."

Mr John Hardy, NUAAW organizer in Salop and North Wales, said: "The extreme action which farmers in this area are proposing is not only inhumane but will damage the nation and the farming industry."

The Salop branch of the NFU said on Wednesday that it intended to start a local campaign of calf slaughtering because the scarcity and high price of winter fodder had made it impossible for the farmers to keep the animals.

Mr Hardy said that the Salop plan to slaughter calves for use in petfood was inhumane and irresponsible. "If any farm workers are asked by their bosses to assist in this they will be advised by me not to cooperate," he said.

The NFU said in London that calf slaughtering was running at a national level of about 14,500 a week, compared with 10,000 a month ago and fewer than 4,000 this time last year. The Government's failure to protect beef farmers against falling returns posed a serious threat to national supplies of beef after next year.

The Meat and Livestock Commission has estimated that beef farmers need at least a third more than they are receiving at livestock auctions to break even on the costs of producing mature cattle.



Actors' plea: A deputation from Equity, the actors' union, which sponsors the Save London's Theatres Campaign, called at the Department of the Environment yesterday to present a petition signed by practically every actor now working in the West End and about 700 members of the public, calling for a public inquiry into the application by Trust House Forte to redevelop the Criterion Theatre site in Piccadilly Circus. The application

was approved by Westminster City Council this week. The deputation was led by Sir John Gielgud (right), the others being (from left) Mr Edward Woodward, Mr Richard Briers, Miss Penelope Fielding, Mr Dominic Le Fol and Miss Miriam Karling. Sir John said they felt the inquiry should be a general one, not only into the Criterion but of the whole of the Shaftesbury Avenue/Cross Road area. "They keep on changing their minds",

he said, "on something so important for tourism, the small shops and businesses as well as ourselves." Mr Woodward said it was little known that most tourists put at the top of their list of reasons for visiting London that they were "doing the theatres". Miss Karling said she spoke for everyone, including "Joe Doakes", the small shopkeeper. The deputation was seen by a senior official in the absence of Mr Crosland, the Secretary of State.

Police fear takeover by civilians

From Peter Evans Home Affairs Correspondent Scarborough

Police Federation delegates at their annual conference at Scarborough yesterday demanded a limit to the use of civilians in case industrial action impaired the efficiency of the force.

Sergeant Alan Sanderson, of Cleveland, said that civilian scenes of crimes "officers had been photographed marching through London with placards in support of their pay claim. "No scenes of crime visited that morning", he said. In Cardiff, traffic wardens staged a sit-in. Vehicle workshop staff in a northern force had worked to rule. During a Nalco (local government union) dispute not involving members working with the police, a police chief saw a danger that it would spread and made preparations to cope. He

was told that that would be strike-breaking. "We will black you", he was warned. Sergeant Sanderson told delegates: "Do not let the finest police service in the world be drawn into confrontation with militant and sometimes militant trade unionism at our and the public expense."

In fact, it was acknowledged during the debate that police and civilians work well together and it was pointed out that in the main the civilian workers deserved respect. What worried delegates was the belief that civilians were not merely aiding policemen but replacing them. "Administratively we have been taken over", the conference was told.

Sergeant J. Harris, of Devon and Cornwall, unsuccessfully opposing the motion from the platform, argued that the real enemy was shortage of police-

men. He feared that passing the resolution as it stood might mean an unrepresentative but vocal minority misrepresenting the conference views as meaning that delegates were out to limit the right trade union members to withdraw their labour. Later the conference heavily defeated a motion demanding the right of policemen to strike, a demand rejected three times before at conferences.

Anti-violence drive

Mr Michael Bowmer, a former Scots Guards sergeant, who was recently appointed commandant of the 500-strong Derbyshire Special Constabulary, has started a campaign to recruit 5,000 special constables from former soldiers and policemen to help to fight violence in the county.

Man killed parents, court told

Police officers called on Wednesday to a house in Leeds found a brutal double murder, Mr Ian Pollard, for the prosecution, said at Leeds Magistrates' Court yesterday.

Carl Hincliffe, aged 36, a miner, of Lingwell Avenue, Leeds, was charged with the murders of his mother, Emily, aged 74, and father, James Hincliffe, aged 70.

Mr Pollard said Mr Hincliffe's parents were lying dead in the house with head injuries.

Mr Barrington Black, for Mr Hincliffe, said that on Tuesday night Mr Hincliffe had committed an offence. He had turned on his parents while out of his mind with remorse.

WEST EUROPE

France invites EEC leaders to new Paris summit meeting

From Charles Hargrove Paris, Oct 24

President Giscard d'Estaing announced today that he had sent out invitations for a summit meeting of heads of government of the Nine in Paris at the end of November or beginning of December. He also said he would get in touch today with a number of leading oil-producing countries and industrialized and non-industrialized oil consumers to see if a conference could be called at the beginning of next year on the world energy problem. He would like Europe to be represented as one entity at such a conference.

The President made these two announcements at his second "press meeting" since he took office. It was devoted, as he put it, to "the place of France as she is, in the world as it is." The first meeting, on July 25, was on domestic problems.

In spite of a strong undercurrent of criticism of the alleged indecision of the President and the Government, he displayed a relaxed self-assurance and mastery of the many subjects on which he was questioned, replying in a quiet, unadorned style which he has made his own.

"France is lucky", he said. "To have political leaders who do not, as those of some other countries, have their eye set on popularity polls. I conduct them against the interests of France, not in those of my own popularity."

He had opened in a rather sombre key. "The world is unhappy, and has the feeling it is heading for catastrophe", he said. However, prospects justifiably concern, but not despondency. The situation was nothing like that of the 1930s.

There was a marked emphasis throughout the press conference on the need for international cooperation to overcome the world crisis. "World problems require world solutions", he said.

France's present economic difficulties were part of a profound social crisis. The communist countries were not experiencing such a crisis, nor energy shortages, nor higher petrol prices.

the doctrine of national independence was being gradually whittled away, he went on to add, however: "France will preserve her sovereignty of decision within the framework of her international commitments."

He was naturally questioned closely about the possible surrender of sovereignty or transfers of sovereignty involved in the Government's European policy. The mere fact of belonging to an international organization involved a transfer of sovereignty, but the organization of Europe must progress on two lines: the practical organization of the political institutions of Europe, and for this there should be meetings three or four times a year of heads of government of the Community; and problems of substance, like energy.

Transfers of sovereignty would not be discussed at the next European summit. It would be a practical meeting, which would also naturally question the Council of Ministers of the Community, and the limitation of the right of veto. This was not a limitation of sovereignty but did involve some transfer of it.

The ultimate objective of France is, however, a confederal structure for Europe", he said. "This involves a limitation of national rights of decision, but France is ready to go forward on this."

On the problem of energy, he said the oil producers needed to invest and to do so they needed a stable world. They had an interest in avoiding world economic convulsions. The world conference of 10 to 12 countries on energy he proposed would have to guarantee producers a guaranteed income, by pegging the price of oil to an index.

To a question on French nuclear defence, M Giscard d'Estaing laid down the doctrine: "The French nuclear deterrent can be employed only against another nuclear power or to meet a threat of invasion of French territory. On the other hand, I think France should not use her nuclear power against non-nuclear powers, and I hope this attitude, progressively, will be adopted by others."

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Rise in NZ butter price would not hurt Britain

From Our Own Correspondent Brussels, Oct 24

New Zealand dairy farmers are expected to receive an extra 50m or so next year for the butter and cheese they sell on the British market; but the extra money they would get will not affect consumer prices in Britain.

This is because the money will come from taxes which British importers have to pay on cheap New Zealand butter and cheese to bring prices to prevailing EEC levels. These levies will be cut by the equivalent of 18 per cent.

An extra payment was requested by the New Zealand Government to compensate their farmers for a 30 per cent rise in freight and production costs during the past couple of years.

The New Zealanders put pressure for a better deal on the European Community, which under Britain's membership terms, is responsible for New Zealand exports of dairy products to Britain.

In response, the European Commission has now suggested an 18 per cent increase in the prices the New Zealanders will receive for their dairy produce from January 1.

Under the terms of Britain's treaty of accession to the Community, New Zealand was allowed to export certain quantities of butter and cheese to Britain at certain prices. Last year, for example, their butter quota was 166,000 tons and their cheese quota 69,000 tons. Next year these quotas will have fallen to about 150,000 and 45,000 tons respectively.

For a number of reasons, among them rising production costs, the New Zealanders were unable last year to fulfill their quotas. Exports of butter and cheese to Britain totalled about £21,000 and 46,000 tons respectively.

The new price rise, if it is accepted by member governments, could help to change this situation. Yet an increase of 18 per cent, which would be well below the figure requested by New Zealand, may not be sufficiently large to encourage dairy farmers to send more of their produce to Britain.

Socialist attitudes nettles French Communists

From Richard Wigg Paris, Oct 24

M Georges Marchais, leader of the French Communist Party, today told the Socialist Party, to whom it is allied in an electoral effort to win power, that the Communists had no intention of "being reduced to the role of a supplementary force."

He was opening a three day extraordinary party congress at Virvoux-Seine outside Paris, which is intended to underline the Communists' refusal to take second place on the left. The party is trying to convince the French working class that if its sympathies are to the left, it is not enough simply to swell the party ranks of M Mitterrand, the Socialist leader.

The Communists voted massively for the joint left-wing candidate at last May's presidential elections, but a marked reluctance by Socialists and left-wing radicals to vote for a Communist candidate emerged clearly at six recent by-elections across France.

Mr Marchais has taken exception to the Socialists proclaiming at their recent congress that they represented the sole "alternative". The "emulation, as the rivalry between the two French left-wing parties to gain more voters and influence is called, could not mean, Mr Marchais said, each party aiming to strengthen itself to the detriment of the other, so as to impose its will afterwards.

Mr Marchais strove to convince the working class that a strong Communist Party was

the best way to make sure its interests were heeded. What an excellent thing it would be, he said, if the party polled 25 per cent of all the votes cast at French elections. In the first round of last year's parliamentary elections the Communists obtained 21 per cent against 19 per cent for the Socialists and left-wing Radicals and 35 per cent for the Gaullists.

France's present economic difficulties were part of a profound social crisis. The communist countries were not experiencing such a crisis, nor energy shortages, nor higher petrol prices.

Mr Marchais sought to widen his appeal to the other social classes, promising them that a "union of the left" would preserve their individuality. There would be 450,000 members of the party by the end of this year, he said, after the highest annual increase since 1947. It was only through a "union of the French people" that the working class could be sure of success.

In a Sofres public opinion poll published in Le Figaro today, 50 per cent of those questioned said they thought the Communists would be in government in the next five years. Only 34 per cent discounted this possibility.

Forty-two per cent said they felt the Communists, if they gained power, would seek to impose socialism; 37 per cent thought they would keep to the promises of the "common programme". Fifty-six per cent believed the Socialists would play the most important government role.

Concessions in Spain to student doctors

From Our Correspondent Madrid, Oct 24

The Spanish Government today ended its lock-out of student doctors. The National Security Institute announced that they could go back to their jobs in government-run hospitals. No punishment would be imposed on the trainee doctors for their protest which led to the lock-out, provided they fulfilled their duties and attended classes normally for the rest of the academic year.

The Social Security Institute, which had previously refused even to meet an elected grievance committee of the trainee doctors, reached tentative agreement to end the dispute last night, through the mediation of the National Board of Medical Associations.

The lock-out, which had been applied progressively at a number of hospitals throughout the country, starting early last week, resulted in an overall loss of work for staff doctors. They were no longer able to handle routine out-patient consultations.

Under the tentative agreement reached between the Spanish medical associations and the Government, the Social Security Institute agreed not to employ "non-professional criteria" in the selection of candidates for permanent posts. It also agreed to negotiate on the grievances through the medical associations, provided that no further interruptions to education or routine hospital duties occurred.

Fears of French broadcasting staff are rising

From Our Own Correspondent Paris, Oct 24

News today that M Maurice Siegel, Director-General of the French commercial radio station Europe One, is to be relieved of his post heightened the widespread unease among French broadcasting personnel over the Government's reorganization of ORTF, the television and radio state network.

Journalists at ORTF, which decided should be broken up into separate broadcasting units with consequent redundancies today announced new strikes "for as long as necessary" beginning next Tuesday. This is both to reinforce their demands for other jobs for those displaced on French domestic services, and also to protest against schedules reductions in foreign language broadcasts.

According to the journalists' unions some 500 staff will lose their jobs as a result of the decision to end shortwave broadcasting in 16 languages.

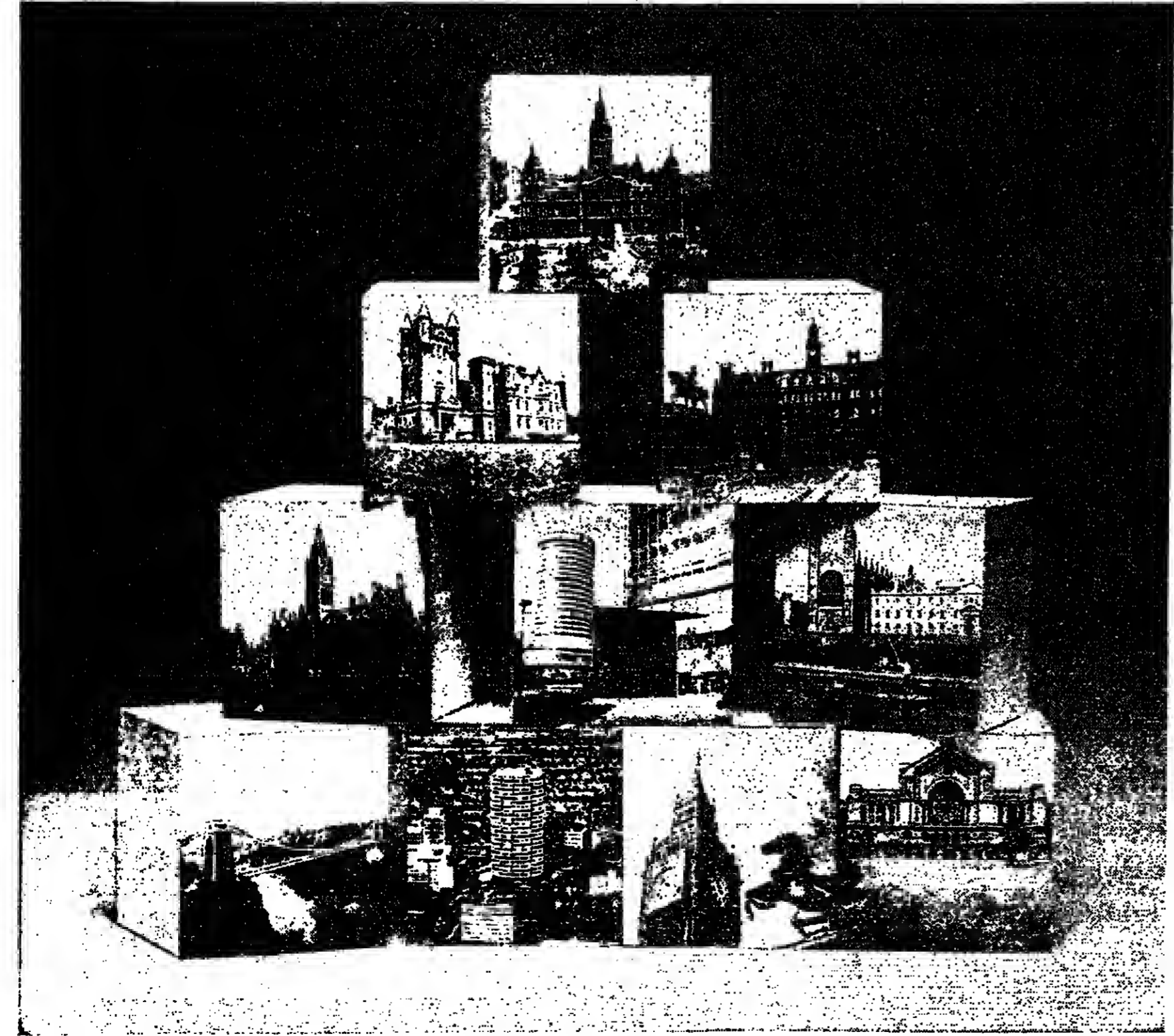
However, medium-wave services in Spanish, German and Arabic will be continued, together with those in English, German, Portuguese and Spanish sent for broadcasting by foreign radio stations.

M Denis Baudouin, the Government Delegate-General for Information, who is also president of a Government company which controls 37 per cent of the Europe One shares, denied that M Siegel's departure was caused by Government pressure.

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مكتبة الأهرام

WEST EUROPE

Plan for direct elections in 1980 likely to be approved by the European Parliament

From David Cross, Brussels, Oct 24

The European Community's 160 million voters would go to the polls during the first week-end of May 1980, to choose 355 members for the first directly elected European Parliament under new draft plans unveiled in Brussels today.

The proposals, drawn up by a Dutch member of the Parliament, Mr Schelte Patijn, are designed to put some flesh on the EEC aspirations for the election by direct universal suffrage of European parliamentarians. The draft convention which Mr Patijn has produced has received wide support from other European MPs and its broad outlines are expected to be approved by the Assembly as a whole in the near future.

Its timing is of considerable significance, as the whole question of the future role of the Parliament, including direct elections, could come up at the proposed European summit conference in December. There are growing signs of a change of heart by the French Government, which blacked earlier attempts to make the European Parliament a more democratic and powerful body.

At a press conference in Brussels today, Mr Patijn said there were three main problems concerning the content of a convention on direct elections to the European Parliament. These were the electoral proce-

dures which should be used in the member states, links with national parliaments, including the difficult problem of dual mandates for MPs, and the number of members there should be in any directly elected body.

Although all nine member countries shared the principle of universal, free, equal and secret elections, national electoral systems varied considerably in detail, Mr Patijn said. In some countries, for example, voters were allowed to vote at 18 and in others at 21; in some countries voting was compulsory and in others it was optional.

In view of these differences, he was recommending that member states should be free to use their own electoral systems in any direct elections to the European Parliament. But the date of the elections would be synchronized and the mandate for European MPs set at five years. He had chosen 1980 because this was the earliest practical date elections could take place and because it coincided with the target date for European union.

On the question of the European Parliament's future relations with national parliaments, Mr Patijn said there was general agreement that links between these bodies should be maintained. Nevertheless, although he thought it should be possible for European parliamentarians to hold a national mandate as well as

a European mandate, it should not be compulsory.

He hoped that national parliaments would take measures in both their own interests and in the European interest to facilitate the work of members who wished to retain their national mandate, so that they would be able to carry out their European duties.

This could be achieved, he suggested, by releasing European MPs from active participation in national parliaments by delegating their voting rights in their national parliaments to colleagues.

On the delicate question of the number of seats in a directly elected Parliament, Mr Patijn said he favoured a relatively small increase in membership from the present 198 to 355 members. This would make the Parliament more representative of the Community's 250 million inhabitants, but would not make it too cumbersome or overrepresented for the relatively light workload it had to fulfil.

He had calculated his figures on the basis of population in the various member countries, but without any reduction in the present number of any member country's representatives. Under his proposed scheme West Germany would be entitled to 71 members, Britain to 67, Italy 66, France 65, the Netherlands 27, Belgium 23, Denmark 17, Ireland 13 and Luxembourg six.



Mr Trudeau, the Canadian Prime Minister, meets Dr Josef Luns, Secretary-General of Nato, yesterday during his visit to Belgium.

Mr Trudeau seeking EEC link

From Roger Beriboud, Brussels, Oct 24

Canada's desire to reduce its dependence on the United States by strengthening political and economic ties with Europe was the main theme of Mr Trudeau's second day in Brussels.

After yesterday's discussions with Belgian leaders, the Canadian Prime Minister spent today at the headquarters of Nato and the European Community.

His talks at the European Commission centred on Canada's not wholly welcome request of last April for a non-preferential trade agreement with the EEC. Such agreements have hitherto been reserved for less industrialized countries with special trade problems, like India or Brazil.

The Nine have agreed at ministerial level that Canada and the EEC should negotiate some form of "contractual link" but remain divided over what form it should take. Canada originally suggested a very modest trade agreement. The Commission favours something more ambitious, but the French and British have doubts.

Today's discussions began with M François Xavier Ortoli, president of the Commission,

and Sir Christopher Soames, the commissioner for external and trade relations.

At a special meeting of the Nato Council this morning Mr Trudeau abandoned his prepared notes in favour of an open discussion with the permanent representatives of the 15 member states. Canada, he said, believed strongly in the value of Nato as a forum for consultation with its European partners and as a means of reducing its dependence on its strong neighbour.

He advocated a novel way of selling Nato membership to the younger generation. Canada had had a public debate on defence, he said, and had concluded that to belong to Nato was a good deal cheaper than going neutral,

Herr Schmidt awaits verdict of voters

Fran Dan van der Vort, Bonn, Oct 24

More than 11 million voters in two West German states have the chance on Sunday to deliver a verdict on the Schmidt administration five months after it took office.

Nobody pretends that the state parliamentary campaigns in the Lander of Hesse and Bavaria have been dominated by anything other than federal issues, and politicians at all parties in Bonn will study the results closely.

As the campaigns went into top gear this month, it appeared far more likely that the Christian Democrat opposition (CDU) and its Bavarian ally, the Christian Social Union (CSU), were doing their best to assist the fortunes of the Social Democrats (SPD) and the Free Democrats (FDP), who make up the ruling coalition in Bonn.

A public dispute broke out in the Bonn opposition about who should be the candidate for the chancellorship in two years' time at the next federal election.

On Sunday. The only question is how big its majority will be. When it comes to the choice of a chancellor-candidate from the CDU and the CSU, Herr Strauss will once again be the king-maker.

Although Herr Strauss does not hold state office in Bavaria and is not standing for an election Sunday, he has been leading the CSU campaign. In the course of his electioneering, drawing as ever the biggest crowds, he has been firing off interviews and comments in which he makes no secret of his determination to start out the leadership issue.

At one stage, it appeared that he might, under appropriate circumstances, make a bid to become chancellor-candidate himself. Then he said he did not consider himself a candidate. Earlier in the year there were dark hints from Bavaria about the CSU "going federal" and becoming a fourth national-wide party. Now Herr Strauss rejects such an idea.

All this has been a remarkable demonstration of the power he holds in the Bonn opposition as a whole. The CDU cannot ignore the fact that Herr Strauss has far greater political security than any other opposition leader (or that 1976, when he will be 61, must represent his last chance for the chancellorship, if he wants it).

The idea that the kingmaker might one day crown himself remains a real, if remote, possibility. Only the other day he was saying that there was no reason why the CSU should not provide the joint opposition candidate for a change. If it did, there can be no doubt as to his identity.

While the outcome of the Bavarian election is certain, the situation is different in Hesse. The state is ruled by a coalition of the SPD and FDP, as in Bonn. In 1970, at the last state election, the SPD got 47.9 per cent and the FDP 10.1 per cent of the vote respectively, while the CDU got 39.7 per cent.

The ruling coalition is committed to continue if it gets enough votes, so the CDU is trying for an absolute majority. Herein lies the test for Herr Schmidt and his Government in Bonn.

German typhoid outbreak is spreading

From Our Own Correspondent, Bonn, Oct 24

The typhoid outbreak in south-west Germany, which had put 22 people in hospital by Tuesday, passed the 70 mark today and spread from Baden-Württemberg to the neighbouring state of Rhineland-Palatinate.

The areas most heavily affected remain the cities of Stuttgart (29 cases) and Heidelberg (35) which are some 45 miles apart. The first three cases in the Palatinate were reported from Ludwigshafen, only about 12 miles from Heidelberg.

Meanwhile, food analysts today cleared of suspicion the consignment of meat and potato salad originally blamed for spreading the infection. The firm near Ludwigshafen which made it has been allowed to resume production.

Norway is to claim large non-trawling zones

From Our Correspondent, Oslo, Oct 24

Norway is to claim 5,320 square nautical miles as non-trawling zones off the coast of Norway outside the present 12-mile limit and wants this to be enforced from January 1.

This was disclosed today when Mr Jens Evensen, the minister with special responsibility for extension of the fisheries limit, gave details of the "limits list" which he has presented to the countries most concerned, including Britain.

Four zones are included in the list. One off the coast of Troms covers the fishing ground of Jennegea and Malangsrunden. This stretches between four and 19 miles beyond the 12-mile limit and covers a total of 1,500 square miles. The ban on trawling would be from October 1 to April 30.

The second and third zones

adjoin and include Hjelmsøeybanken and Nysleppen off the coast of western Finmark. They cover 1,400 and 1,170 square miles respectively. The distance outside the 12-mile limit is from 28 to 33 miles and 27 to 30 miles respectively. The ban on trawling would be from October 1 to March 31.

The fourth zone is off the east coast of Finnmark and covers the Nordbanken and Ovrebanken fishing grounds. The area is 27 to 42 miles beyond the 12-mile limit, which means that a small part of this area extends beyond a possible 50-mile limit. The ban would be from October 1 to March 31.

Mr Evensen said the restrictions would be non-discriminatory.

The primary idea of the non-trawling zones is to avoid collision between trawlers and other types of gear-like drifting nets and long lines.

Man held over Moscow deaths by stabbing

Moscow, Oct 24.—Police have caught a man they say stabbed two people to death in the capital recently, a Moscow evening newspaper reported today.

The report follows rumours, denied by the police, that a group of psychopathic killers had escaped from a transit prison near the city, and police warnings to women not to go out alone at night.—Reuter.

German call to oil states on increasing aid

Bonn, Oct 24.—Herr Schmidt, the West German Chancellor, tonight called on the oil-exporting countries to participate to a much larger extent in development aid.

He said in a television interview: "I think we must demand that the oil-exporting countries, which are making such enormous profits with the oil price rises and currently amassing huge additional income, should play a much bigger part in development aid than they have done so far."

The Chancellor said that the

German taxpayer could not be overburdened, but West Germany would be doubling its annual development aid contributions during the next four years.

The developing countries, and in particular the poorest developing countries which had a population of 800 million, had been hit especially hard by the oil price explosion of the past 12 months.

"Although we ourselves are suffering from the oil price rises, we have to help these countries above all

Depth charge kills French seaman

Toulon, Oct 24.—A seaman was killed and two others were injured when a depth charge exploded on the deck of the French minesweeper Gardania off Toulon during exercises with British and Italian warships.—Reuter.

Woman beggar of 78 leaves £6,000

Venice, Oct 23.—Signorina Ermenegilda Urbano, a beggar, aged 78, has died suddenly in the street in the town of Basiliano, where she had been begging for 50 years. In her house, police found about 10 million lire (about £6,000).

Isn't it time you were seen in one?

How long have you been telling yourself, if not everyone else, that the Jaguar is your sort of car? And how much longer will it be before you do something about it? Consider your reasons for holding back.

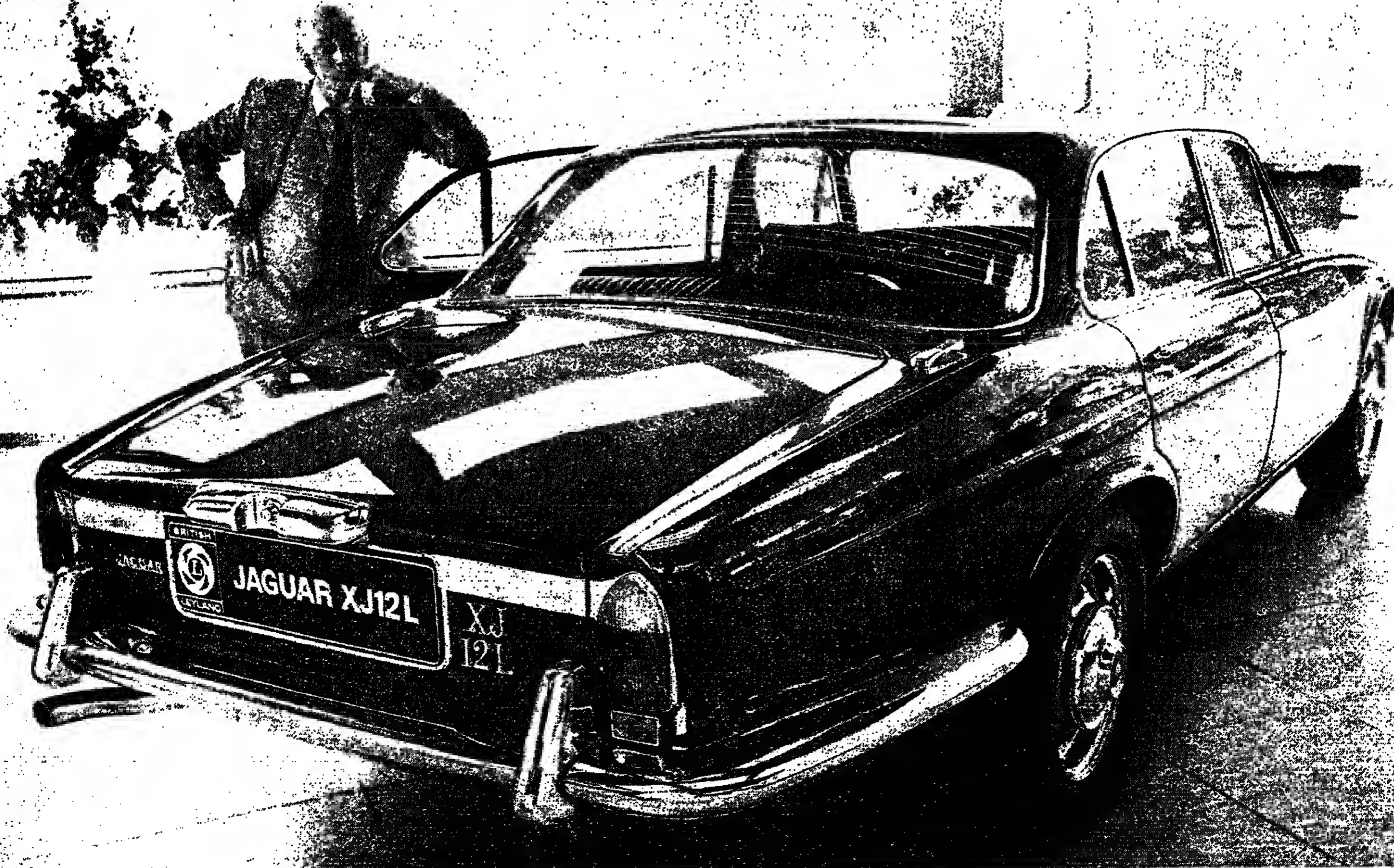
Satisfaction with your present car? This feeling might well disappear after a test drive in an XJ6 or XJ12. The cost? Most unlikely, we should think; the Jaguar's outstanding value for money is legendary, and in its class, probably unique. Or do you perhaps feel some-

how that the reality of the Jaguar can never match the impressions you have cherished over the years? Rest assured. There is still nothing like a Jaguar. The combination of superb finish and excellent engineering will live up to your highest expectations,

and in all probability, comfortably exceed them. You know you can see yourself in a Jaguar. Isn't it time to stop reflecting?



Jaguar



OVERSEAS

Key presidential adviser among South Vietnamese ministers resigning to pave way for reshuffle

Saigon, Oct 24.—President Thieu today decided to reshuffle the cabinet which General Tran Thien Kham, the Prime Minister, has led since November 1, 1969. The Prime Minister, however, will remain in his post and will form the new Government.

since the beginning of this month. Hope was expressed that there would be as radical a change as possible, including a new Prime Minister.

Minister, who the reputation of being a "Mr No", putting economic order and defence of the South Vietnamese piastre above all other considerations.

Ethiopians urged to free union leaders

Addis Ababa, Oct 24.—A four-man delegation of the International Confederation of Free Trade Unions (ICFTU) arrived here today to seek the release of three Ethiopian trade union leaders arrested last month by the military rulers.

Niger, Algeria, Nigeria accused of detaining Tuareg refugees from the famine areas

Mali wants her nomads to return

From Henry Kamm Bamako, Mali Major Kissima Doukara, the Defence Minister of Mali, has accused Niger of preventing the return of tens of thousands of Malian nomads who sought refuge there from the drought and famine that have afflicted Mali in recent years.

was dispatched in June. Similarly, Major Doukara continued, approached from him to the Niger Defence Minister and by various other Malian officials to their Niger counterparts had gone without reply.

governments of Niger, Nigeria and Algeria or their own inclinations. "Even we do not often understand the nomads", he said. "It is a double-edged matter."

Starvation threat to 250,000 in Beira area

Beira, Oct 24.—More than 250,000 Africans in Mozambique's Beira province face starvation because of the ravages of war and disastrous floods which destroyed the newly-planted crops at the beginning of the year, a spokesman for a famine relief committee here said today.

Hongkong police officer admits taking bribes

Hongkong, Oct 24.—A British police inspector was today sentenced to a year in prison for a charge of being in control of money disproportionate to his official income.

Mr Bhutto in Moscow to seek political support

From Our Correspondent Rawalpindi, Oct 24 Mr Bhutto, the Pakistan Prime Minister, arrived in Moscow today for two days of talks with Soviet leaders on economic aid and political support.

responsibilities as a great power and exercise a restraining influence on Afghanistan, which leans so much on it for economic and military assistance.

Concorde keeps its noise level down Los Angeles, Oct 24.—The Concorde made its maiden flight into Los Angeles airport and managed to register an acceptable noise level on recording instruments.

Remains of Argentina's tyrant to return home

The long exile of General Juan Manuel de Rosas, tyrant of Argentina, is coming to an end. The remains of one of the world's most hated and feared leaders are to be exhumed from an English grave and repatriated to Argentina where they will be received with full military honours.

Mayor of Southampton, was criticised by fellow councillors for visiting the grave with Dr Manuel de Anchorena, the Argentine Ambassador.

African leaders watch Zambian display of might

Lusaka, Oct 24.—President Kaunda and six other African heads of state watched a display of Zambian military might today, marking the nation's tenth anniversary of independence from Britain.

Soviet embassy men leave New Zealand in secrets case

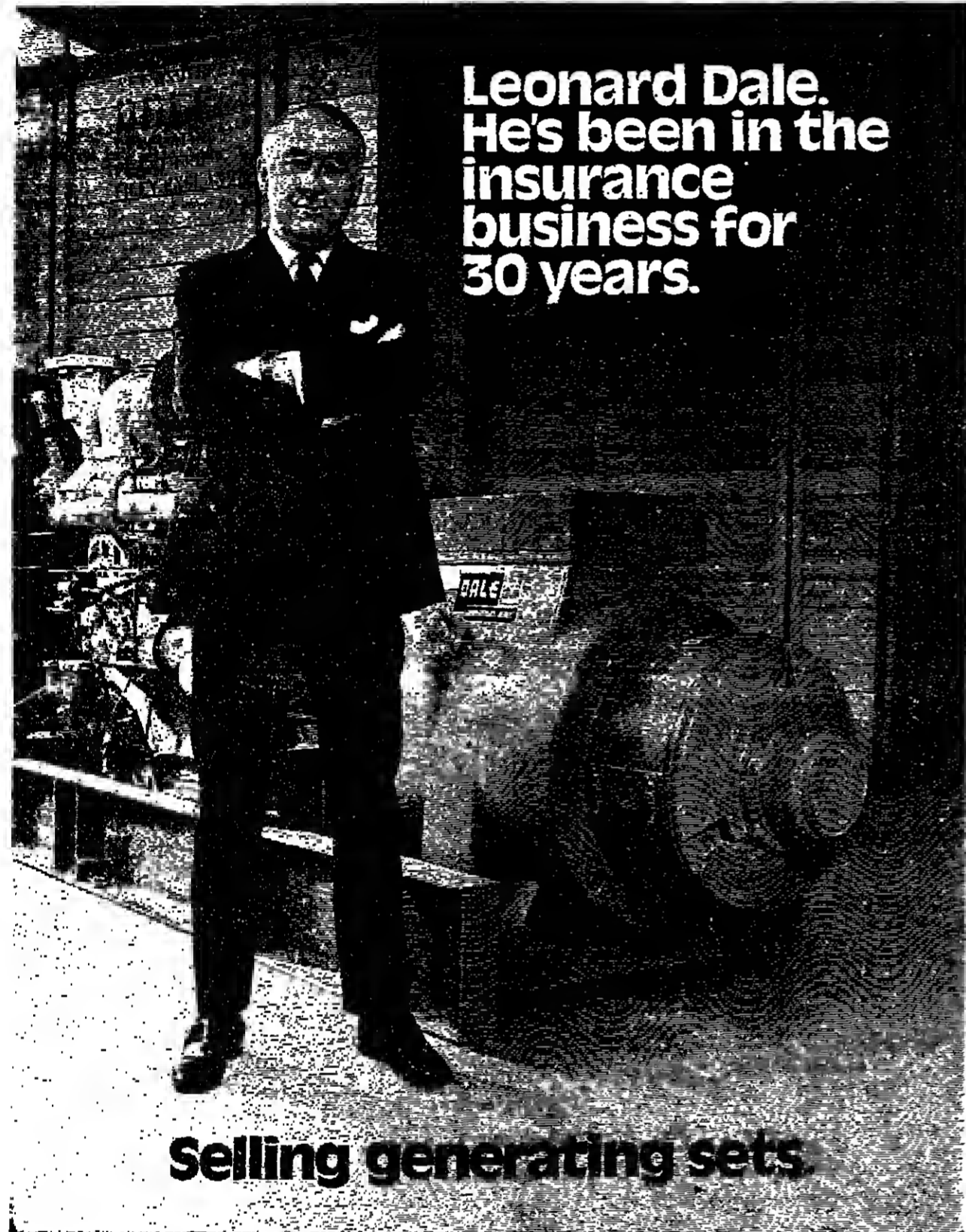
From Our Correspondent Wellington, Oct 24 Two members of the Soviet Embassy staff have left New Zealand after complaints that they had engaged in activities incompatible with their status in a foreign mission.

Korea reporters go on strike

Seoul, Oct 24.—Reporters of South Korea's largest national daily newspaper and its affiliated radio station went on strike today in protest at the detention of the publisher and several journalists yesterday.

Cardinal visits Australia

Perth, Oct 24.—Cardinal Josef Mindszenty, former Primate of Hungary and now released from his duties by the Vatican, arrived in Perth today to an emotional welcome from expatriate Hungarians.



Leonard Dale. He's been in the insurance business for 30 years.

Selling generating sets

The insurance that Leonard Dale builds helped many companies to avoid financial loss during power interruptions. Dale, with units between 1 kW and 2,500 kVA, are one of Britain's largest manufacturers of emergency generating sets.



When all else fails, it has to work. Dale Electric of Great Britain Ltd., Electricity Buildings, Flay, Yorks. Telephone Flay 4141. Telex 52163.

Let's go to

EAST AFRICA



- ★ British Caledonian operate four scheduled flights a week to Nairobi (three non-stop). ★ We also fly to Kampala, Lusaka and The Seychelles—and we have special arrangements with Zambia Airways for direct connecting services between Lusaka and Ndola.

- ★ Fewer passengers than on Jumbo-sized aircraft—more attentive in-flight service, more relaxed and intimate atmosphere. ★ Passengers travelling via London can check in with their baggage at our Central London Air Terminal at Victoria Station.

SPECIAL ANNOUNCEMENT

★ From November 1st Flights to East and Central Africa and The Seychelles served by wide-body look 707s. ★ Full in-flight entertainment available at nominal extra charge. This month's film outboard flights: The Three Musketeers starring Raquel Welch and Oliver Reed. Inboard flights: The Seven Ups starring Tony Lo Bianco and Roy Scheider.

★ Fast rail link to airport—no traffic hold ups. London—40 minutes, Croydon—30 minutes, Brighton—40 minutes. (Cheaper short term airport parking for drivers). ★ Less crowded, more comfortable airport—the terminal building's new extension has doubled Gatwick's capacity.

- without affecting the compact design. ★ Connecting domestic flights link up at Gatwick with our East and Central African services. At Gatwick connections are within the same terminal building and there's no need to travel between terminals for connecting flights. ★ For details of departure times, return flights, and even the meals we serve en route, don't call us—call your travel agent.



LET'S GO BRITISH CALEDONIAN

ANNOUNCEMENT BY THE DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA

Speech made by COMRADE KIM IL SUNG at the mass rally in welcome of the President of the Arab Republic of Syria



President Kim Il Sung

Esteemed Your Excellency Mr. President Hafez Al Assad, esteemed guests from Syria, dear comrades and friends,

Today the people of all walks of life in Pyongyang have assembled here with a great joy of meeting the goodwill envoys of the Syrian people who have come with the warm, friendly feelings towards the Korean people.

In the name of the Central Committee of the Workers' Party of Korea, the Government of the Democratic People's Republic of Korea and the entire Korean people, I once again warmly welcome the party and Government delegation of the Syrian Arab Republic led by His Excellency Mr. Hafez Al Assad, General Secretary of the Arab Baath Socialist Party and President of the Syrian Arab Republic.

I also extend the warm friendly greetings of the Korean people, through you, to the fraternal Syrian people.

Korea and Syria are both situated on the Asian continent and our two peoples are interlinked with the bond of firm militant friendship for the community of their past positions in which they were oppressed and maltreated under the imperialist colonial rule and for the identity of their present struggle to build a new life.

Through our current meeting with you, we have keenly felt how much near our two peoples are to each other as comrades-in-arms fighting against the common enemy and as brothers, though a great geographical distance separates them.

This bond of friendship interlinking the two peoples has been created precisely in the common struggle against imperialism and colonialism.

We admire very much the successes made by the Syrian people in the building of a new society and particularly the heroism and patriotic devotion they displayed in the October liberation war last year.

Under the correct leadership of His Excellency Mr. President Hafez Al Assad, their outstanding leader, the Syrian people dealt heavy blows at the Israeli aggressors in the October war last year and at the uninterrupted fierce battles on the Golan Heights. This humbled the pride of the Israeli aggressors and made a breach in their ambitious plan of aggression to occupy and dominate the Arab land for ever.

This also inspired the Arab peoples with the conviction that if a people rose up for their just cause in firm unity they could defeat any enemy, and marked a new turning-point in the solution of the Middle East question.

We rejoice over the historic victory achieved by the Syrian people as our own victory and warmly hail it.

All facts patently show that though they are undergoing temporary difficulties in their struggle against imperialism and Zionism and for the independent development of their country and territorial integrity, the Syrian people are confidently winning victory and advancing.

The Arab countries conducted joint military operations and took concerted economic action of oil embargo against the imperialists during the period of the October war last year, thereby dealing unprecedentedly heavy blows at the imperialists and Zionists and showed that if they fought as one in unity, the Arab countries could seize the imperialists by the scruff of the neck.

The Zionists are now still ceaselessly perpetrating the acts of aggression and military provocation against the Arab peoples with the active support of the imperialists and gravely menacing peace and security in the Middle East.

But whatever desperate attempt the imperialists and Zionists may make, it is no more than a death-bed struggle of those destined to ruin.

It is entirely due to the aggressive acts of the U.S. imperialists and Zionists that the Middle East problem still remains unsolved and war is repeated in this region.

For a just settlement to the Middle East problem, above anything else, an end must be put to the aggressive machinations of the imperialists and Zionists in this region, the Israeli aggressors must get out of all the occupied Arab lands and the legitimate rights of the Palestinian people be restored completely.

The Government and people of the Syrian Arab Republic maintain the firm and unshakable revolutionary stand to resort to every available means in their power to liberate their lost land and exert positive efforts for a fair solution to the Middle East problem.

The Syrian people are making a big stride forward in their endeavours to heal the war wounds, develop industry and agriculture and strengthen the armed forces.

Our people will, in the future, too, as in the past, stand firm on the side of the fraternal Syrian people fighting against

imperialism and Zionism and for building a new society and render active support to their just stand.

The Korean people also manifest full support to and firm solidarity with the just struggle of the Palestinian people for the complete liberation of their homeland and the restoration of their legitimate rights and the struggle of all the Arab peoples to regain the occupied Arab lands and defend their national dignity.

Today the struggle of the Arab peoples against imperialism and Zionism is developing amid the joint struggle of the peoples the world over for peace and democracy, national independence and social progress.

The Israeli aggressors are arrogantly bluffing, but they will surely suffer a defeat because they entrust their destiny to the moribund forces of imperialism.

The Arab peoples will surely emerge victorious because they have a vast territory, huge material resources and manpower and belong to the third world advancing from victory to victory as a new emerging force.

The victory won by the Arab peoples in the struggle against the Israeli aggressors backed by U.S. imperialism is just a victory of our people and the victory of our people is a victory of the Arab peoples.

At the instigation of U.S. imperialism the present rulers of South Korea have incessantly perpetrated hostile acts against the Arab peoples, in collusion with Israel, threatening that they would attack our Republic by applying the so-called "Israeli tactics". But since what they call the "Israeli tactics" was smashed to smithereens by the heroic struggle of the Syrian people, the plan of the South Korean authorities also has come to naught.

The struggles of the Korean people and the Syrian people are in the relationship of mutual support and supplement and this relationship is being further consolidated and developed as the days go by.

Dear comrades and friends, the greatest national task confronting our people at present is to reunify the divided fatherland at the earliest possible date.

In order to accomplish the historic cause of national reunification, we have put forward three major tasks.

The three tasks are, firstly, to powerfully push ahead with socialist construction in the northern half of the Republic, secondly, to strengthen the revolutionary forces of South Korea by actively supporting and encouraging the democratic movement of the South Korean people and, thirdly, to strengthen solidarity with the international revolutionary forces.

Our people are now carrying out the socialist construction with success in the northern half of the Republic under the leadership of our Party by embodying the Juche idea.

Upholding the banner of three revolutions, ideological, technical and cultural, our people are now all mobilized in the grand socialist construction to fulfill the Six-Year Plan ahead of schedule, and achieve the magnificent targets of construction for the next perspective plan, and are bringing about a great revolutionary upsurge on all fronts by waging a vigorous "speed battle".

The prospect of socialist construction is glorious and bright in our country. We are convinced that in the near future we can hit the higher targets of socialist construction we have set.

Encouraged by the successes in socialist construction in the northern half of the Republic, the South Korean people's movement against fascism and for democracy is steadily developing.

Flaring up afresh in South Korea these days is the anti-"Government" struggle of the workers and student youths, intellectuals and religionists and people of all other strata who call for the democratization of society and the peaceful reunification of the fatherland and demand the abolition of the present military fascist ruling system in the teeth of so harsh fascist repression.

This glaringly shows that no amount of fascist suppression can break the resistance of the people.

The courageous struggle being waged by the South Korean people against the present South Korean rulers is a righteous struggle for the right to existence and democracy and a patriotic struggle for the country and the nation.

Our party and the Government of the Republic will always render active assistance to the just struggle of the South Korean people with might and main, and accelerate the independent and peaceful reunification of the fatherland, uniting strength with them.

The problem that must be solved before anything else in the settlement of the question of the reunification of our country is to strip the U.S. troops occupying

South Korea of "U.N. Forces" helmets and compel them to withdraw to the last man.

Today it has become an irresistible demand of the times that the foreign troops going under the cloak of the "U.N. Forces" should be withdrawn from South Korea.

At the 29th session of the U.N. General Assembly now in progress the question of withdrawing all the foreign troops stationed in South Korea under the U.N. flag is due to be discussed at the joint proposal of 35 U.N. member states including Syria.

As the situation has turned unfavourable to them, these days the U.S. imperialists are scheming to flout world public opinion and avoid the troops' withdrawal with preposterous sophism. They are clamouring that the U.S. troops stationed in South Korea are not the "U.N. Forces" but are the troops staying in South Korea under the so-called "Rok-U.S. mutual defence treaty" and there will arise a danger of the recurrence of war if the "U.N. Forces" are withdrawn.

When they think it is advantageous to use the name of the United Nations in justifying the U.S. imperialist aggressor troops' occupation of South Korea, they call the troops the "U.N. Forces" and when they think it is disadvantageous to wear the herets of the "U.N. Forces", they say that the troops are not the "U.N. Forces". This is the habitual gangster-like logic of the U.S. imperialists in the true sense of the word.

It is a stark historical fact that before the fabrication of the "Rok-U.S. mutual defence treaty" the U.S. troops had already crept into South Korea carrying the signboard of the "U.N. Forces" with nothing can it be denied.

When the U.S. troops' stationing in South Korea cannot be justified even with the name of the "U.N. Forces", it is all the more foolish to try to justify it with a sort of "treaty" cooked up between U.S. imperialism and the traitorous clique of South Korea.

The argument of U.S. imperialism that if the "U.N. forces" withdraw from South Korea without any guarantee for the implementation of the armistice agreement, the danger of war will increase also does not stand to reason at all.

The maintenance of the armistice in Korea is guaranteed not by the U.S. troops but by the consistent, peaceful efforts of the Government of our Republic.

If the foreign troops which are obstructing the peaceful reunification of Korea and causing the constant danger of war in Korea under the signboard of the "U.N. forces" withdraw in accordance with a resolution of the United Nations General Assembly, it will provide a firm guarantee for the preservation of peace in Korea and there will arise no other question of guarantee.

If any question arises after the withdrawal of the foreign troops, it will not

be a matter which any third party should meddle in but is an internal affair of the Koreans themselves and is a matter of such character as should be settled through negotiations between the parties concerned of the north and the south. The north-south joint statement is the firm basis of such negotiations.

If there is any question which will arise in the course of the withdrawal of the foreign troops, it can be dealt with through negotiations between the Democratic People's Republic of Korea and the United States, the parties directly related with the question.

As we have already proposed to the U.S. authorities to conclude a peace agreement, there will be no particular problem in this connexion.

This notwithstanding, the U.S. authorities, while giving no reply in our proposal to conclude a peace agreement, are clamouring only about a sort of guarantee with regard to the withdrawal of the U.S. troops from South Korea. This is designed not to withdraw the U.S. troops from South Korea at any cost but to keep Korea divided into two parts forever and keep hold on South Korea at least.

In fact, if the U.S. troops stay on in South Korea, it will create the constant danger of war, and once a war breaks out, it will easily develop into a total war.

If the United States does not want to suffer a heavier defeat in Korea and Asia, it should change its policy toward Korea and give up the attempt to boost up the present rulers of South Korea floundering in face of the fierce resistance and distrust of the people.

Under the condition where the South Korean authorities are following the road of selling off the country and betraying the nation, while persisting in the policy of dependence upon outside forces and the machinations to perpetuate the split of the nation and intensifying their fascist repression of the South Korean people as they do now, it is impossible to solve the question of national reunification through negotiations only with the present South Korean authorities.

Therefore, it is necessary to convene a great national congress extensively participated in by the representatives of people of all strata and various political parties and social organisations in the north and the south and hold negotiations in the spirit of great national unity irrespective of different ideologies and religious beliefs so as to remove division and confrontation in Korea and discuss the question of reunification in earnest on the principles of unity and collaboration.

Korea is one and our nation is a homogeneous nation and, accordingly, it can never be split into two and cannot be divided into two countries forever.

The three principles of independence, peaceful reunification and great national unity should be upheld in the spirit of the north-south joint statement.

First of all, the foreign troops bearing the signboard of the "U.N. forces" should get out of South Korea at the earliest possible date in order to ease the tension in Korea.

If the foreign troops pull out of South Korea, a wide avenue will be opened for the independent and peaceful reunification of Korea.

Today the general situation is turning favourable with each passing day to the

struggle of our people for reunifying the country independently and peacefully.

U.S. imperialism and its lackeys are isolated from and rejected more and more by the world people and international support to and solidarity with our revolutionary cause are being strengthened as never before.

Today, availing myself of this opportunity, I extend warm thanks to his Excellency President, the Syrian Government and people for the active support and encouragement of the government and people of the Syrian Arab Republic in the just struggle of our people for the independent and peaceful reunification of the country and express deep thanks in the entire peace-loving countries and peoples of the world for their active support and encouragement to our cause of national reunification.

Dear comrades and friends,

Today imperialism is hit harder and driven out everywhere in the world and the third world people who had been oppressed and maltreated in the past have emerged in the arena of history and are vigorously marching ahead along the road of independence.

The international balance of forces has radically changed. Now the last say in the world arena belongs to the peoples who had been once exploited and oppressed.

Today in Asia there are many revolutionary countries and fighting countries and the vast area of Asia from Korea in China, Indo-China and the Near and Middle East has become the theatre of the anti-imperialist revolutionary struggle.

The Cambodian people are continuously waging their valiant struggle against U.S. imperialism and its lackeys and for the complete liberation of the country, the South Vietnamese people, together with the North Vietnamese people, are actively struggling to ensure the strict implementation of the Paris agreement and defend the already achieved gains of the revolution and the Lao people are struggling to build a reunified and prosperous, new Laos.

We actively support the struggle of the Indo-Chinese peoples, the struggle of the Chinese people to liberate Taiwan, the inseparable part of the territory of the People's Republic of China, and the struggle of all the Asian peoples against U.S. imperialism and Japanese militarism.

The struggle of the people against the imperialist aggression and intervention and for defending national independence and sovereignty, protecting the resources of their respective countries and achieving their economic independence is gaining momentum with each passing day in Africa and Latin America as well as in Asia.

We actively support the struggle of the entire African people for sweeping away imperialism, colonialism and racism and achieving the complete liberation and unity of Africa and express firm solidarity with the struggle of the Latin American people against the domination and control by the U.S. and for defending national sovereignty, natural resources and the right to territorial waters.

It is the irresistible basic trend of our era that imperialism is going to ruin and the people are winning victory in their liberation struggle.

The fourth summit conference of non-aligned states held last year and many other subsequent international meetings including the sixth U.N. special conference on raw material and development and the third U.N. conference on sea law vividly demonstrated the great influence exerted by the third world countries upon the development of the present international relations and their united might.

All facts show that if the third world people unite still firmer and fight in a concerted step, they can smash any aggressive machinations of imperialism and precipitate its final ruin and speedily build independent and prosperous, new Asia, Africa and Latin America.

The Korean people will continue to resolutely fight for the victory of the anti-imperialist common cause in the future, too, as in the past, in firm unity with the peoples of the socialist countries, and all the progressive peoples of the world and positively support and encourage the struggle of the peoples of all countries against imperialism and colonialism.

The Korean and Syrian peoples linked by revolutionary solidarity and friendly ties are fighting together and advancing together in Asia, the same continent.

The current visit to our country of His Excellency the President and the Syrian Party and Government Delegation powerfully demonstrates that the friendship and solidarity between our two parties, two countries and two peoples has reached the most solid, highest stage.

We feel great satisfaction with it and will bend all efforts for further expanding and developing the friendly relations between our two countries in various fields in the future.

The Korean people will always fight on firmly joining hands with the fraternal Syrian people for the victory of our common cause under the uplifted revolutionary banner of the anti-imperialist struggle.

Long live the unbreakable, militant friendship and solidarity between the Korean and Syrian peoples!

Long live the solidarity of the progressive peoples of Asia, Africa, Latin America and the rest of the whole world!

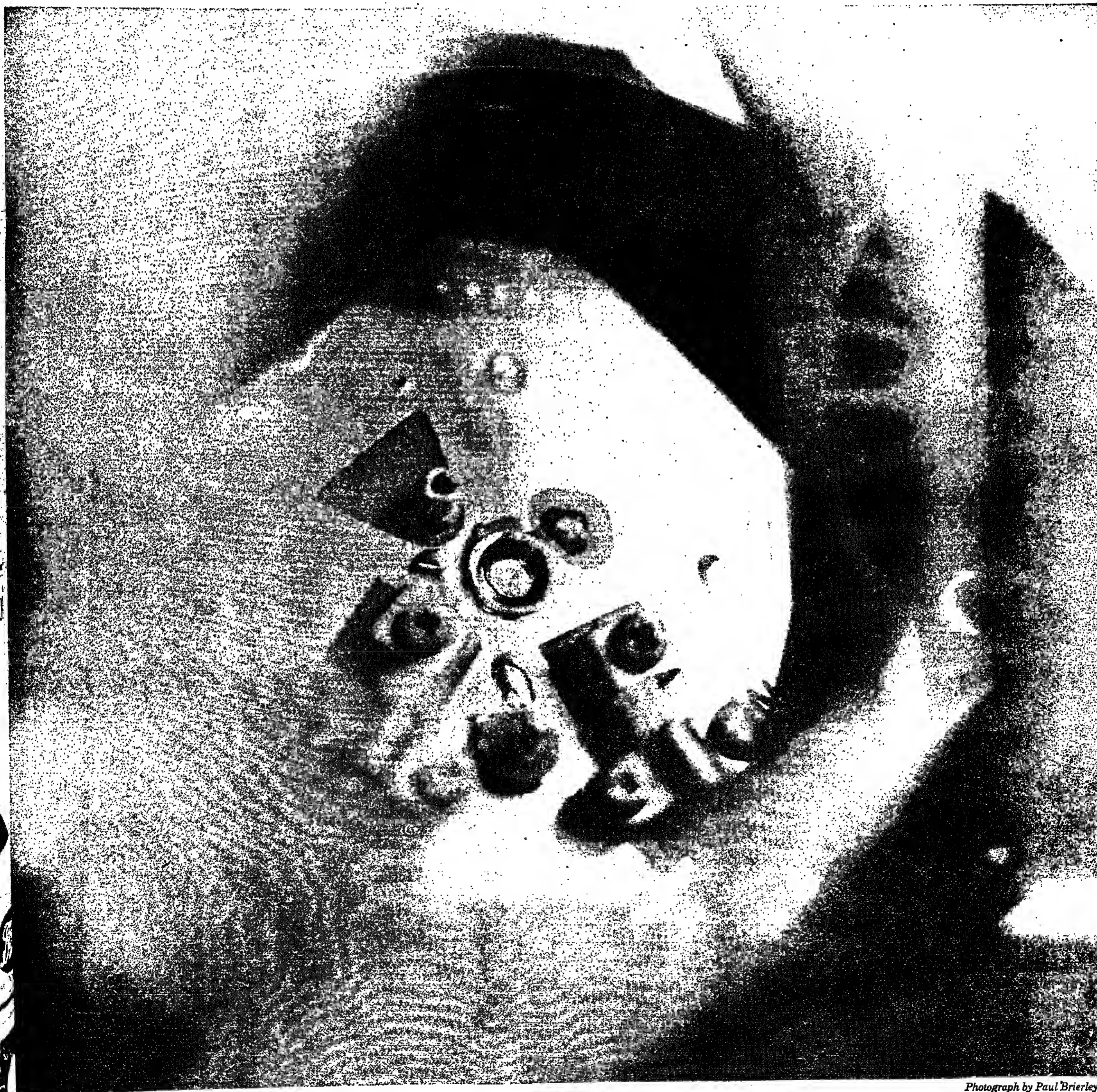
I wish His Excellency Mr. President Hafez Al Assad and the Syrian people great victory in the struggle against imperialism and Zionism and for territorial integrity and the independent development of the country.

Boost your box

This masthead pre-amplifier or 'booster' made by Labgear Limited - a Pye Company - has already brought a fourth TV channel to many parts of Britain. About 93 per cent of homes can normally receive three channels; but with Labgear's pre-amplifier attached to a suitable aerial, viewers in many areas can watch sharp, clear TV pictures from distant transmitters serving other regions.

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Photograph by Paul Brierley

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OPERA AND BALLET

COVENTRY CAROLINE 230 3111
Tonight 8.00. Royal Ballet. In the
Night 8.00. The Earth. Tomorrow
2.00. Mon. Nov. 7. 3.00. Tom
Thurs. 7.30. 8.15. 8.30. 8.45. 9.00.
The two pieces.

THEATRE

OLD VIC. THE NATIONAL THEATRE
Tonight, Mon. 7.30. Tues.
7.30. Tom. 7.30. Thurs. 7.30.
Fri. 7.30. Sat. 7.30. Sun. 7.30.
Peter Shaffer's
The Great Game

CONCERTS

CAMBRIDGE UNIVERSITY
NEW MUSIC SCHOOL APPEAL
ROSTROPOVICH
3 Sings for Sale 'Cello
KING'S COLLEGE CHAPEL
Nov. 2. 3. 4. 5. 6. 7. 8. 9. 10. 11. 12. 13. 14. 15. 16. 17. 18. 19. 20. 21. 22. 23. 24. 25. 26. 27. 28. 29. 30. 31.

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ALBANY 336 3375 Evening P
Sat. 8.00. 8.15. 8.30. 8.45. 9.00.
DIANE BRADY. JOHN BROWN
In the Heart of the Matter

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CINEMAS

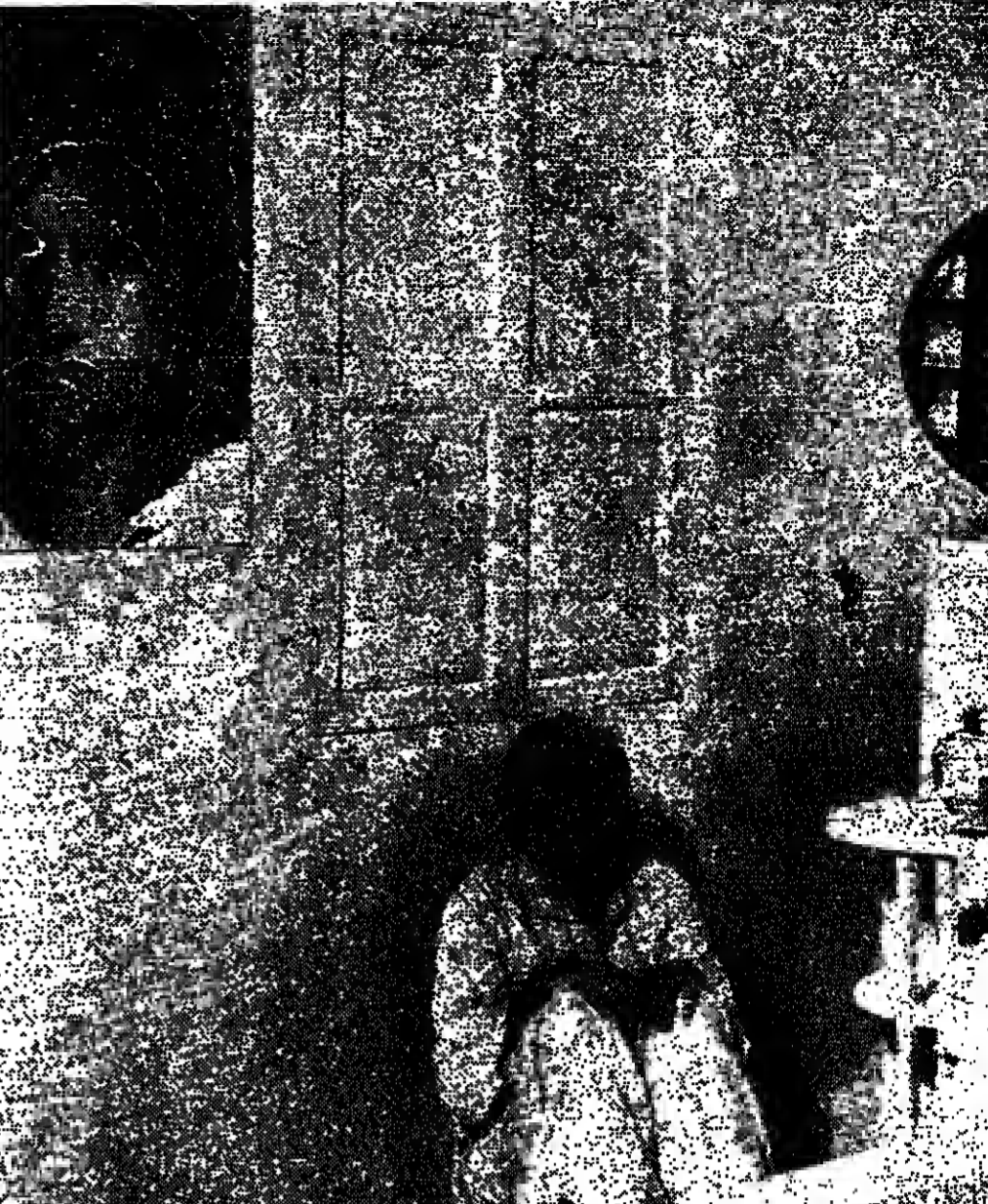
DORRIN. ST. MARTIN'S LANE. 1836
Tonight, Mon. 7.30. Tues.
7.30. Tom. 7.30. Thurs. 7.30.
Fri. 7.30. Sat. 7.30. Sun. 7.30.

THE ARTS

Miming by the soloist
Inori
London Coliseum
Paul Griffiths
Inori, Stockhausen's "adorations"
reached this country on
Wednesday, as part of the
Germany Facets cultural jam-

Go and catch a falling star

Stardust (aa)
ABC I Shaftesbury
Avenue and general
release
The Night Porter (x)
Odeon, Haymarket
Uncle Vanya (a)
Paris Pullman



Castle in Spain: Jim (David Essex) gets more and more out of touch with the world

Last year, 'That'll Be the Day'
ended with the working-class,
dramatic Jim MacLaine quiting his wife
and child to embark on a career as
a pop singer. The picture ends in
the early Sixties as he reaches out
to seize his first electric guitar. Unfreezing
him as it were from the earlier
film's last, tentative frame,
Stardust follows Jim's fortunes
for the next decade: his rise to
occasional and international
fame as lead singer with 'The
Stray Cats', the decision to go
solo, the appearance on 'Time's'
cover as 'Mistrel of a Geo-

selfish, increasingly preten-
dous job, with a good deal of
natural charm but little to
make him sympathetic. The
result is that we cease caring
early on to care for him. This
is directed by television producer
who made a promising feature
film debut two years ago with
'Triple Echo', the screenwriter
is once more the former music
columnist Ray Conolly, and
conductor is a television producer
is, within certain limits, a very
good film, though the territory
traversed is more familiar than
that covered in its predecessor.
Stardust, like 'That'll Be the
Day', has an acute ear and a
keen eye for a throwaway
subcultural milieu of a kind
one makes for granted in
American pictures about pool-
room hustlers, hoaxes and
tricksters, but rarely finds
in British pictures. It is true
that the Stray Cats get rid of
their lead guitar the way the
Beatles divested themselves of
Stu Sutcliffe; their prissy,
much-mocked middle-class man-
ager resembles Brian Epstein;
and indeed virtually every
aspect of the film's documentary
style is derived from the way
the film is made rather than
from this casting of familiar pop
figures and the obvious paral-
lels with well-known events.

Lighting an American candle

The Gingerbread Lady
Phoenix
Irving Wardle
Neil Simon's place in the
American theatre is hardly less
improbable than that of an in-
corporeal Robespierre on the
staff of Mr Nixon's White
House. He is a brilliantly gifted
comic artist who writes
honestly felt plays that happen
to conform exactly to Broadway's
formula. Of late, his work has
not been seen much on British
stages, which is one reason for
welcoming The Gingerbread
Lady, a piece that lights a few
much-needed candles in the
West End.

nothing of this; she claims that
she is moving in because the
checking of her stepmother's
features is interfering with
her homework. Wisecracks as a
rule are not Polly's style; they
belong to the failure brigade,
and most of all to Evy, as a
substitute for youthful moun-
dant eod a means of side-
stepping uncomfortable truths.
English playwrights also play
this game, the difference being
that where they go in for
understatement the American
approach goes to the opposite
extreme. Added to which,
Simon's command of the wise-
crack extends from one-line
gags to shored spirals of lateral
thought jokes.

Picture of futility

The Tempest
The Other Place,
Stratford
Charles Lewsen
At a time of financial crisis it
is suitable that the RSC investi-
gate ways of mounting major
plays in tin banks. Keith Hack
has substituted projectors for
the mainstage, but with a battery
of 60 spotlights and an elaborate
arrangement of platforms on
barrels he has not achieved
anything.

from his nervy paranoia, as well
as from the overt tyrannizing of
Ariel and Caliban, that this
Prospero was banished from
Milos because he was a dictator
—although it is clear from
Jonathan Kent's icy Alooso that
he was replaced by something
no more morally attractive.
Within this Beckertian set-
ting, the replacement of one
tyrant by another who beppens
to have supernatural powers
comes across as a statement of
futility, futility aggravated by
the fact that Michael Penning-
ton's cool, pedantic Ferdinand
looks very much as though he is
marrying Prospero's daughter
for her position and not for
love.

A poor situation

Second Time Around
BBC 1
Alan Coren
There is a moment in every
science fiction movie when the
hero, having just dispatched a
couple of teen-eating spiders,
perhaps or seen off a detach-
ment of intergalactic banditoid
people, leans back breathless
against a studio rock, dashes
the glycerine from his brow,
and cries: "It's our damn way
without it" and "He's either a
poor or past it" and "You
aren't 50?" all of which brings
uncontrollable screams from the
tin of audience open for dis-

Second Time Around, which
lurched into earth's orbit last
Wednesday, is distinguishable
from its malformed antecedent
only by virtue of its not being
about unlikely flatmates.
Instead about a 50-year-old
going on and on about being
a 50-year-old man; he's been
divorced and, do you know,
he fancies younger women.
And, can you also believe,
there is an age gap between
him and them. What does
naturally, gives rise to the
cracking repartee, or "No,
being with it if personally
without it" and "He's either a
poor or past it" and "You
aren't 50?" all of which brings
uncontrollable screams from the
tin of audience open for dis-

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THE ARTS

Philip French

(continued from opposite page) produced work of considerable virtuosity and some permanent value, as well as having provided more sheer joy than Connolly and Apted feel like admitting. Stardust does well to steer clear of being a nostalgic trip into the Sixties in the American Graffiti manner, but his decision to be rather cold aloof, curiously puritanical post-mortem on the decade, falls short of what it might have been.

many Facets' cultural jamboree. More than that, many people may well find Miss Cavani's movie degrading. I might have done so myself, had I not found most of its plodding, portentous footage both ludicrous and risible. The surface act is wholly incredible, the fable it sustains (about guilt, collective and personal, perverted love, the strain of the victim and torturer in all of us, and so on) is fatuous. The hollow dubbing of the Continental actors does not help, nor do the performances of Miss Rampling and Mr Bogarde, who retain their own voices. Rampling does carry off rather well an awful flash-bank in which, half-naked and clad in SS gear, she sings a Blue Angel-type cabaret song (or a Cabaret-type Blue Angel song) in a German officers' mess—for which her lover swears her the boxed head of a ramp. The performance of Bogarde, he is just six familiar characteristics in search of an auteur.

Law Report October 24 1974

The young working wife and financial provision

W.S. v W.S. Before Mr Justice Rees On an application for financial provision under section 27 of the Matrimonial Causes Act, 1973, by a young childless wife, capable of earning her own living, after a short period of co-habitation with the husband there was no general principle that the appropriate order was a nominal order. Mr Justice Rees so said when giving judgment in open court after hearing in chambers a wife's application for periodical payments and a lump sum. Mr M. P. Picard for the wife; Mr Gavin Merryfield for the husband.

HIS LORDSHIP said that the wife sought an order for periodical payments and a lump sum on the ground that the husband had wilfully neglected to provide reasonable maintenance for her. Her application was made under section 27 of the Matrimonial Causes Act, 1973. The parties married on February 9, 1973, when the husband was 28 and the wife 29. The husband's previous marriage had been dissolved. The parties had associated upon terms of intimacy for two years before the marriage. At the time of the marriage the wife was the tenant of a flat in London which became the matrimonial home.

band... has wilfully neglected— (1) to provide reasonable maintenance for the applicant. It was clear that in deciding whether to make an order under section 27 it was not the duty of the court to have regard to the matters set out in section 25. Under section 27 a marriage was still subsisting while under section 25 the court was considering the situation upon the termination of a marriage. The only guidance for the court provided by section 27 was that the applicant had first to satisfy the court that the respondent had wilfully neglected to provide reasonable maintenance for her and, if she did so, then by section 27(6) the court might make such an order "as it thinks just".

recent authorities his Lordship had been unable to derive any principle that in cases where there was a childless marriage of short duration between young people each of whom was capable of earning a living that the proper course was to make either no order or a nominal order. It might not be that in many, and perhaps in most cases, such a course would be appropriate. It was the duty of the court in considering an application under section 27 to decide whether the wife had established that the husband had wilfully neglected to provide reasonable maintenance and then, and only if so satisfied, in make such an order for financial provision "as it thinks just".

Family Division

Latest appointments

Latest appointments include: Mr Justice Geoffrey Lane to be a Lord Justice of Appeal in succession to Lord Justice Arthur Goff, who resigned in September. Mr N. A. I. French, councillor and head of chancery in Havana, to be Governor and Commander-in-Chief of the Falkland Islands. Lord Goodman to be vice-chairman of the British Council after the resignation of the Countess of Albatross.

Latest wills

Miss Ivy Margaret Sach, of Copford, Essex, left £11,935 net. After personal legacies totalling £600, she left the residue to the R.S.P.C.A. Mrs Bettina Isabel Lawrence, of Kimfield, Sussex, left £46,511 net (no duty shown). After bequests totalling £6,275, she left the residue between the Chestre Homes and the Poor Sisters of Nazareth, Besbilly.

Other estates include (net before duty paid; further duty may be payable on some estates): Craigavon, Lord, Second Viscount, of Keshington, £3,285. Davis, Mr James Buckley Stringer, of Chalfont St Peter, actor and husband of the late Dame Margaret Rutherford, £101,531. £311. £15,351.

Council acted too soon against squatters

Greater London Council v Jenkins and Others A court has no discretion to prevent a plaintiff from using procedure under Order 113 of the Rules of the Supreme Court or Order 25 of the County Court Rules to claim possession of land occupied by squatters.

facts, applied for possession two weeks too soon. HIS LORDSHIP, who was sitting with Lord Justice Cairns and Lord Justice Browne, said that the appellants went into occupation as licensees of the landlady, the Greater London Council, as part of an arrangement by the council to make "short life" property available for demolition and redevelopment. The council's right to an order under Order 25 depended on whether the license granted to the appellants had expired by the time the application for possession was made.

him. In Bristol Corporation v Persons unknown [1974] 1 W.L.R. 371 Sir John Pennycuik, Vice-Chancellor, said that a judge had a discretion whether to permit summary procedure under Order 113 identical in terms with Order 25 when the defendant had a licence to occupy. His Lordship did not agree that the court had any discretion to prevent a plaintiff from using that procedure when the circumstances were those described in the rules.

25 years ago

From The Times of Tuesday, October 25, 1949 Mr Atlee in the House of Commons yesterday announced Government economic estimates totalling £20m a year, apart from a small saving in defence expenditure. The heaviest cut will be one of £140m a year in the rate of capital expenditure, to become fully effective in the second half of 1950. A reduction in the housing programme will save £53m annually, and a similar sum will be saved by a tighter control of private building.

London debuts

hard Simm's account of the woman Sonata Op 11 was clear, very assured—invisibly so in view of its luscious difficulties—yet not icularly imaginative. It had a greater feeling of "ice, of fantasy, and now Mr Simm has conquered this work should relax with it a bit. The Cruc d'acier à la Villa de was seen in a similarly clear light, but more so; it had real sparkle, even exhilaration at the end. In Beethoven's Hammer Sonata Mr Simm's tone and his strength of him well, this being a tifully proportioned read-

Op.101 Sonata, while at faster speeds he had several memory lapses besides distorting the music with strange accents and pauses. An odd effect was created with Bach's Partita No. 1, which plodded along with fair competence, but by Mr Hall's noisy dusting of the keys between movements. In welcome contrast Pauline Drain's clarinet recital was most enjoyable. The Marcinu Sonatina is an attractive piece and displayed her firm tone, consistent throughout the whole register, and lively rhythm. Poulenc's Sonata is equally engaging, particularly the central Romanza, and this, also, was done with a real sense of style. Miss Drain should try to make less noise when she draws breath in for this was rather distracting throughout the evening, though not sufficiently so to spoil the seasonably autumnal pleasures of Brahms's Sonata Op 120 No 2. Suk Soon Kim, a soprano, produced a strangely confined and unsteady sound in Handel's "Where'er you walk" and was often under obvious strain during a large Brahms group. One or two items, such as "Es traume mir", were not offensive, but there was some of the subtleties of expression, of tone, of phrasing, essential to this music. David del Tredici, who accompanied well, was also represented by his Four Songs on Texts by James Joyce, which had some interesting moments.

Max Harrison

World's Greatest Jazz

club, Oxford Street Kingdon 0 musicians who call lives the World's Greatest and may have some well-known names among them, like Coleman and Billy Butterfield, but the world's greatest are they are not. The slickest Dixieland Outraps, because the tone hole group is the brush, easy-to-take, backslap tipiness that hands like shy's need to affect and repertoire is provided predictable formulas as Rampart Street Par "Royal Garden Blues" here'll Be Some Changes They even played "Big Tom" Winnetka, featuring Bob Bergart, the bass who recorded it with duce those many years y used to say that Dixie's jazz played for tired men; it's almost come cle and become jazz y tired businessmen. makes the hand worth all is the sprinkling er musicians who bring sion and flamboyance rouines of the older ably the sinuous sop-



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Hoechst

Hoechst keeps thinking ahead

SPORT

Olympic Games
Ambiguous penalty advocated for political breaches of IOC rules

From John Hennessy
Vienna, Oct 24
A press release on the subject of political demonstrations, issued here yesterday evening, has served only to cloud the issue.

Tennis
Laver matched with Connors for record men's purse

New York, Oct 23.—Rod Laver of Australia and Jimmy Connors of the United States today signed to meet in a five-set match for a winner's prize of \$41,500.



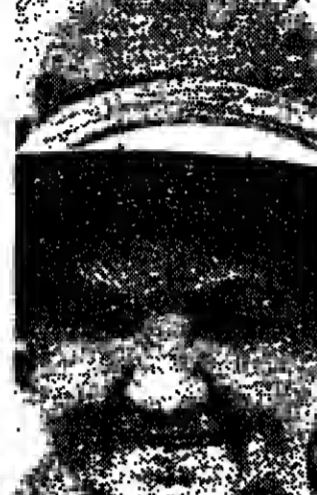
Laver (left) and his young opponent, Connors.

Golf
McClelland gets a sinking feeling

From Dudley Doughty
Estepona, Oct 24
The late and cold winds were bad enough, but it was the lightning, flashing through much of the afternoon, which finally caused play to be suspended late today.

The name on everyone's shortlist for a place on IOC
Mrs Frith right on target

From John Hennessy
Vienna, Oct 24
One woman stands out conspicuously among the representatives of the 26 international federations (IFs) embraced by the Olympic movement.



Inger Frith: Justifiably proud.

Football
Liverpool should not be written off

By Geoffrey Green
Football Correspondent
The ranks of British football are being severely pruned in this season's continental competition.

American team go into a four-stroke lead

La Romana, Dominican Republic, Oct 24.—The defending champions, United States, took a four-stroke lead in the third round of the world women's amateur golf championship here today.

Roundup of European results

EUROPEAN CUP, second round, first leg
Lille (1) 2-0 Tottenham (2)
Rangers (1) 1-0 Ipswich (2)

Lille to bowl fast-medium in short spells

Adelaide, Oct 24.—Dennis Lillee, the Australian fast bowler, resigned in losing the reputation he earned with his bowling on the cricket field at Adelaide.

Rugby Union
Cambridge have a scrum half or two to spare

By Peter West
Rugby Correspondent
Cambridge have such an embarrassment of talent at scrum half that they should select more than one player to play in that position.

Cricket
Denness unfit and unlikely to play in first match

Adelaide, Oct 24.—The MCC captain, Michael Denness, may have missed his first match when he had an infected throat.

Arsenal sign Mancini

Terry Mancini, the Queen's Park Rangers defender, who has been unsettled for some time, has been transferred to Arsenal for £20,000.

Gymnastics
Russian women remain the world's best

Varna, Oct 23.—Women gymnastics of the Soviet Union remain the world's best, two years after their victory at the Munich Olympic Games.

Test for the younger generation

By Our Rackets Correspondent
Established players including Harold Jones, Brian Brash, and Martin Smith clash with the younger generation in Manchester Gold Rackets competition.

Revie's postponement plea to League secretary

Don Revie has asked the Football Association's secretary to postpone Saturday League games before crucial international matches.

Horse trials
Susanne Lamb in the lead after dressage

From a Special Correspondent
Bakelo, Netherlands, Oct 2
Susanne Lamb, riding her six-year-old Warmblood, holds a slender lead at the end of the open day's dressage in the Dutch national championship.

SPORT

Racing

No Alimony stable in winning vein

By Michael Phillips
Racing Correspondent
If there was anything to be pleased at Newbury yesterday it was very definitely encouragement for No Alimony's chance of winning the Observer Gold Cup at Doncaster tomorrow.

Doncaster programme

- Television (LBA): 3.0, 3.30 and 4.0 races
1.55 SELLING RACE (2-y-o: £705: 6f)
100400 Brynador (E. Peckin), B. Payne, 8-11 ... 7 Lappin 12

ELMFIELD MAIDEN STAKES (538: 1m 4f)

- 000000 Brynador (E. Peckin), B. Payne, 8-11 ... 7 Lappin 12
000000 Brynador (E. Peckin), B. Payne, 8-11 ... 7 Lappin 12

BEECHFIELD HANDICAP (860: 5f)

- 334233 Yinge (D. R. Sisson), P. Davey, 3-4-5 ... J. Seagrave 10
000000 Brynador (E. Peckin), B. Payne, 8-11 ... 7 Lappin 12

WALDEN HANDICAP (3-y-o: £893: 1m 4f)

- 101940 Silver Strand (D. J. Dyer), W. Wharton, 8-12 ... T. Lee 5
122224 Tourmaline (D. J. Dyer), W. Wharton, 8-12 ... T. Lee 5

CTOBER MAIDEN PLATE (2-y-o: £483: 5f)

- 000000 Brynador (E. Peckin), B. Payne, 8-11 ... 7 Lappin 12
000000 Brynador (E. Peckin), B. Payne, 8-11 ... 7 Lappin 12

LATEUR RIDERS' MAIDEN STAKES (530: 2m 2f)

- 000000 Brynador (E. Peckin), B. Payne, 8-11 ... 7 Lappin 12
000000 Brynador (E. Peckin), B. Payne, 8-11 ... 7 Lappin 12

PROGRESS NURSERY HANDICAP (2-y-o: £1,043: 7f)

- 101940 Silver Strand (D. J. Dyer), W. Wharton, 8-12 ... T. Lee 5
122224 Tourmaline (D. J. Dyer), W. Wharton, 8-12 ... T. Lee 5

WOLVERHAMPTON

- 2.0 (2.1) NEWMARKET PLATE (3-y-o: £270: 5f)
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2.0 (2.1) NEWMARKET PLATE (3-y-o: £270: 5f)

Doncaster selections

- 1.55 Smokey Crown, 2.25 GRANNY SCOT, 3.50 Mossy Brook, 4.30 Mossy Brook, 4.30 Mossy Brook

Newcastle on November 9 with Comedy of Errors once again. With Comedy of Errors out of the way the race has won in a most decisive manner by Treble Tangle, a good horse on his day but undoubtedly a problem child at Marlborough, where he has been trained by Bob Turpin since his arrival from Newmarket where he was trained throughout his formative days by Bernard van Cutsem.

Newbury programme

- 2.0 READING STAKES (3-y-o: £505: 1m 4f)
2.0 READING STAKES (3-y-o: £505: 1m 4f)
2.0 READING STAKES (3-y-o: £505: 1m 4f)

2.30 HANDICAP STEEPCHASE (£715: 3m)

- 202 0010-1 Mideight Fairy (D. J. Dyer), W. Wharton, 8-12 ... T. Lee 5
202 0010-1 Mideight Fairy (D. J. Dyer), W. Wharton, 8-12 ... T. Lee 5

3.30 WILLIAM CLARK STAKES (Handicap: £877: 6f)

- 401 332220 Perseus (D. J. Dyer), W. Wharton, 8-12 ... T. Lee 5
401 332220 Perseus (D. J. Dyer), W. Wharton, 8-12 ... T. Lee 5

4.0 DICK DAWSON STAKES (2-y-o handicap: £934: 1m)

- 501 401230 High Sky (C. J. Dyer), W. Wharton, 8-12 ... T. Lee 5
501 401230 High Sky (C. J. Dyer), W. Wharton, 8-12 ... T. Lee 5

4.30 RADLEY MAIDEN STAKES (Div 1: 2-y-o fillies: £704: 6f)

- 601 000000 Brynador (E. Peckin), B. Payne, 8-11 ... 7 Lappin 12
601 000000 Brynador (E. Peckin), B. Payne, 8-11 ... 7 Lappin 12

5.0 RADLEY MAIDEN STAKES (Div 2: 2-y-o fillies: £699: 6f)

- 701 000000 Brynador (E. Peckin), B. Payne, 8-11 ... 7 Lappin 12
701 000000 Brynador (E. Peckin), B. Payne, 8-11 ... 7 Lappin 12

Doncaster selections

- 1.55 Smokey Crown, 2.25 GRANNY SCOT, 3.50 Mossy Brook, 4.30 Mossy Brook, 4.30 Mossy Brook

Butler has first winner of season

Ken Butler, a jockey with a wealth of experience but who gets few opportunities, rode his first winner of the season at Wolverhampton yesterday afternoon.

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Bundini Brown, the witch doctor at the court of King Ali



Bundini Brown keeps a close eye on Ali during a training session.

Every king has his court and, depending upon the monarch, the courtiers will sometimes tell much about the character of the ruler they serve.

He is a gentle man when the fists are not flying, but it is impossible to forget him while serving in the United States Navy because Dundee is not black, he is white.

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A ROCK AND NOT A ROCKET

Obviously the Conservative Party is bound to take a decision about the leadership...

Conservative Party must be a failure. In times of trouble the Conservative Party is regarded to be a rock and not a rocket.

In the last election the Conservatives received only a little more than a third of the vote. No official Conservatives were elected in Northern Ireland, few in Wales and not many in Scotland...

demand for a party of sound money will become very strong. Mr Heath is not to be blamed for having lost the last two elections on the issue of inflation.

The Conservatives also have a problem of organization. Their Central Office was better administered in the second 1974 election than in the first, but it will no doubt have to be reconstructed further.

This does not mean that the Conservative Party will or should turn to the right, if by the right one means opposition to working inside Europe or support for the moribund regime in Rhodesia.

The most important question of policy is economic; here again Sir Keith Joseph deserves credit for having posed the real question.

The 1960s were a decade of rapid change in beliefs. The 1970s in Britain at least are turning into a decade of anxiety...

SCOTLAND IN THE GRIP OF STRIKES

The plight of Scotland is a reminder, if one is needed, of how many groups of workers have it in their power to cause extreme inconvenience to the public and disruption to industry in pursuit of a claim.

The Liberals, the Scottish nationalists and even the Conservatives have not been slow to note that the relative quiescence of the Government in face of all this shows how little concern it is for the interests of Scotland.

in his earlier ministries, Mr Wilson was often criticized for propensity to bustle on to the scene whenever a serious strike

was in view and hammer out a solution over midnight coffee and sandwiches in circumstances that enabled him to appear as the hero of the hour.

Hence the silence, hence Mr Wilson's care in his letter to Mr Edward Taylor to confine himself to a promise to protect food supplies and health.

service is still imperfect. It is still to some extent hampered by the lack of a statutory basis.

Mr Jack Jones was in Scotland last week campaigning for the social contract. He added a strong endorsement of the CAS.

Like the man on the tightrope the Government has found that the problem will not go away. But there are no easy answers.

NAVAL OCCASION AT SIMONSTOWN

Government's attitude towards the Simonstown Agreement has long resembled that of an individual who is not only trying to stop the Niagara Falls on a rope, but has forfeited his grip on the rope.

There are correspondingly few who would argue that the agreement has entirely lost its usefulness. Task forces plying between Britain and the Far East under the Navy's new "group deployment" approach to the Indian Ocean, still find the stopover at Simonstown a welcome chance for sailors to watch their legs and collect mail from home.

prove a very valuable facility indeed. So it is useful but not indispensable. The difficulty for the Government is in deciding how useful. It is so useful that one should risk incurring the hostility of emergent black Africa...

Like the man on the tightrope the Government has found that the problem will not go away. But there are no easy answers. The present undignified squabble which does an injustice to the Royal Navy and particularly to the admiral involved suggests that the semantic distinction between a courtesy visit and an operational deployment provides no permanent solution to the Government's embarrassment.

There are many, such properties throughout the country which crave a sympathetic owner and there are many who would gladly accept the challenge of a historic building to provide themselves with their own home.

Local authorities have naturally been reluctant to accept responsibility for every historic house offered to them and in smaller towns there is a programme of civic preservation, as in the "Town Schemes" which is financially unacceptable.

Lish Country House

The attention drawn to the Lish Country House by the Victoria and Albert Museum and Mr John Cornforth's constructive clew on the spot for every historic house offered to them and in smaller towns there is a programme of civic preservation, as in the "Town Schemes" which is financially unacceptable.

architectural unity. If private ownership is to be encouraged in the more extensive unit, the need for the smaller unit to exist as a living organism is made that much greater.

Local authorities have naturally been reluctant to accept responsibility for every historic house offered to them and in smaller towns there is a programme of civic preservation, as in the "Town Schemes" which is financially unacceptable.

families at reduced prices or with preservation grants, many prospective home buyers could acquire a suitable home, subject to responsibility to a civic heritage, at the same time as maintaining the dignity of a particular historical town.

There are many, such properties throughout the country which crave a sympathetic owner and there are many who would gladly accept the challenge of a historic building to provide themselves with their own home.

Ruling on colour bar in a club

From Lord Hailsham of St Marylebone, CH, FRS

Sir, It is of course both proper and desirable that the policy aspects of the recent decision of the House of Lords to its appellate jurisdiction should be widely discussed.

But I write to protest against the assumption of which Professor Thakur's letter to today's issue (October 19) is only one example, and that by no means the most notable, implicit in the appellative Committee of the House of Lords is free to make its decisions on policy grounds.

It is perfectly legitimate for Parliament to amend either the Race Relations Act, or any other Act, or to define different rules of construction for the Courts to follow, including, if desired, that enunciated by Humpy Dumpty.

From Mr M. R. Hasan
Sir, As a "self-respecting" coloured professional whose wife is a NHS doctor, I share the deep concern of Professor Thakur following the House of Lords ruling in the working man's case.

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This plight was very well summed up by Mr Roy Jenkins in a speech to a meeting of voluntary liaison committees of the National Committee of the Commonwealth Immigrants on May 23 1966 during his speech to the House of Commons.

Problem of birth control

From Mrs Jocelyn Playfair

Sir, I am not a Fascist and neither, of course, is Sir Keith Joseph. I am not even a Tory but I agree with every word of Sir Keith's speech in the House of Lords on birth control.

From Mr D. L. W. Ashton
Sir, The hysterical protests accusing Sir Keith Joseph of "Victorianism" and even "Nazism" prompt two simple questions.

From Mr P. V. Moon
Sir, For a man of reputed intellect and education, Sir Keith Joseph shows a decided ignorance of the actual content of what he refers to as "left-wing ideology".

From Mr Anthony Grey
Sir, However inadequately, Sir Keith Joseph has done much to bring to our attention the social and economic problems of our time.

Of course there are casualties: of course the young need and expect some moral guidance; fortunately some of us attempt to bind up their wounds and encourage them along life's path without the censorious moralising of the over-simplifiers, who seem to us bent upon the fostering of an incipient social fascism.

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LETTERS TO THE EDITOR

Conservative policy in opposition

From Sir Peter Allen

Sir, In the months ahead of us the Government will need support from all sides for measures which are acceptable to meo of goodwill. It is important, however, that the Conservative Party should put together a policy to be asserted in opposition and for action when they are next in office.

Four areas for positive Conservative policy seem to me to be essential:
1. Support for industry. Industry and commerce provide our wealth.

From Mr A. C. H. Vale
Sir, Professor Thakur (October 19) concludes that "discrimination on the grounds of colour and race have received legal sanction" as a result of the recent decision of the House of Lords concerning a working men's club in Preston.

From Mr Joe Rocher
Sir, Are there no limits to the paranoia of politicians when they turn their attention, all too frequently, to the press?

From Mr John Jowkes
Sir, No one would wish to spread unnecessary despotism but surely the Prime Minister was painting too rosy a picture when in his recent television appearance he said: "We are not going to have a deficit of nearly two-thirds."

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Combating racism

From Mr Jurgen Hilde

Sir, We are of course delighted that Mr Sparrow and his friends are prepared to put so much money into questioning what he calls "the priorities of the World Council of Churches". The following figures should help to show how the WCC spends its money.

From Mr P. V. Moon
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The way in which cancer problems are usually presented to the public does little to make them any easier to solve. The idea that this is a disease the causes of which can be discovered, and the cure for which will one day be provided, is encouraged, while its true nature as a varied set of disorganized reactions to many inciting agents and the successful prevention or control of many of its forms are neglected.

A false expectation of miracles is thus combined with an underestimate of the present high level of achievement. Some fresh thinking, replanning and plain speaking are needed and might do a great deal of good.

Doctors, in practice, deal with people. Good doctors deal with people's hopes and fears, their families and friends as well as with their diseases. Very good doctors see that each patient gets the best advice and treatment that is available whether he is able to provide it himself or not. To do this he has to know where the best is to be had.

With cancer, especially with the rarer forms, the differences in success rates from one treatment centre to another vary considerably since experience, team-work, and international exchange of information are all needed if the best chance of success is to be provided. Some chance of success has to be present, however. Concentration on the production of miracles in curative medicine for advanced malignant disease is not the best way to help the public, even if a near miracle is brought off from time to time, because repeated disappointment leads to disillusion. Nor, indeed, can it be the best method of tackling the problems involved.

Advances in science depend a great deal on the way in which we look at problems; they depend on asking better and better questions. Population methods of dealing with problems of health have proved far more effective

than individual methods. Improvement in health over the past 200 years or so has been due to limitation of family size, good food supplies, better environment, prevention and curative medicine in about that order; certainly to family planning, nutrition, hygiene and immunization long before treatment.

Lifespan increases and medical problems change when starvation and most epidemic infections have been overcome and protection from many dangerous and harsh environments has been achieved. Medicine then becomes increasingly concerned with accidents, degenerative disease, congenital abnormalities, psychiatric problems and old age. The two most common causes of death in this country now are heart disease and cancer. If we want to improve our cancer organization we have to understand these disorders and deal with them on a population basis not only on a personal one, let alone on one which concentrates chiefly on the difficulties presented by advanced disease. We want more effort on prevention and early detection and we need to see that the best known investigation and treatment is available to all who need it. To achieve such aims we require a better cancer organization from our Department of Health and Social Security and a more rational and hopeful view of the cancer problem from the general public.

A population based cancer programme must have backing from education and research and an expert evaluation of the results of each project launched to allow us to learn from experience and to spread success. The organization must, therefore, coordinate education, research, evaluation, prevention, early detection, investigation and treatment. It must be adequately financed and see that information flows so that all of us, lay social and medical, may know what is

Why more effort is needed to coordinate cancer research with treatment

going on and see how things are turning out.

No coordinated national cancer programme of this kind has yet been attempted, although, in the past few years real steps have been taken in this country towards such an achievement.

The United States Senate Committee on Labour and Public Welfare published the Yarborough Report in November 1970, which called for "A national programme for the conquest of cancer". The report declared that cancer was "the number one health concern of the American people" and that they were talking about a major scientific programme not about "the delivery of patient care generally in cancer cases" and affirmed that "cancer is a disease which can be conquered". Congress then voted 440 million dollars for the year 1972/73.

In this country The Cancer Advisory Sub-committee, of which I was then Chairman, reported to the Minister of State through the Standing Medical Advisory Committee and the Central Health Services Council; its recommendations were published in the Central Health Services Council's annual report for 1970. Comments were received from official bodies and from individuals and a revised report was accepted by the Government, the announcement being made by Sir Keith Joseph in May 1972.

Our approach was very different from that of the Americans. We

indulged in no talk of final conquest, we did not confuse the issue by making false comparisons between the control of a complicated set of tissue reactions in man and the type of technological progress which took him to the moon, we proposed no plan to buy complete solutions to ill-defined biological problems, instead we asked that an organization be created to secure clear practical gains. We stressed our view that cancer research and practice needed to be brought much closer together as the cancer problem was not one which could be solved by research divorced from the constant stimulation of ideas derived from clinical medicine. My committee advocated the gradual development of a national plan concentrating on prevention and patient care through the establishment of a few trial regional organizations each covering a population of about three million people.

In each of these areas programmes were to be developed to coordinate the cancer work of general practices, hospitals, social services, research and education, to promote the closer integration of research with practice and to evaluate every effort made. Each trial region was to have an opportunity for separate development in order to provide guide lines for later expansion.

The differences between the American approach and ours were interesting. Their expressed belief in conquest through vested increased

expenditure on research without reference to patient care did not appear to us to be practical. Their programme has since been modified with less emphasis on "throwing dollars at problems" and more on putting talented people to work and on clinical research.

The Department of Health and Social Security nominated four centres for the trial: Manchester, Leeds, South West Metropolitan and Wessex. A meeting was held in the department in February, 1974, to provide an opportunity for an exchange of views about the approaches each region had so far made to the problem. Many of the speakers emphasized the need for "new money" if their organizations were to be launched successfully. The department said that financial support would be provided for the establishment of these organizations, but that there were already channels for the funding of service and research requirements. New support, they said, would be dependent on the selected regions putting forward specific proposals. Some projects had already been accepted and money provided. The department stressed its willingness to support evaluation in the trial regions from central funds.

It seemed that a slow start had at last been made, but the intention to allocate no specific sum of money and to retain financial control at project level centrally was a disappointment to all. It had seemed to the advocates of the scheme that the essence of the trial centre proposal was that each of them would be given enough financial independence to develop their own ideas so that variety would be provided and lessons learnt. There was a fear that, at regional level, health authorities might either use "new money" to provide services which they should have

been making available in any case so, in effect, deflecting their new support to schemes not related to the cancer problem or that they might use it on cancer schemes for which no real evaluation could be made. The fear, at central level, was that lip service might be paid to the idea of cancer reorganization but that enough money, however controlled, would not be provided in a period of financial difficulty to see that such a scheme had any opportunity to prove its worth in a reasonable time. It seemed unwise to rely on central approval for every project by the Department of Health which appeared to be ill-equipped for such a job, and reluctant to set up a small, expert coordinating body which could deal with this problem alone.

A better public understanding of the problems involved and a real community interest in the organization of the services for cancer control in this country are needed if the four trial centres are to have any real opportunity for success. Without insistence on evaluation, without enough money and without some freedom of action they are unlikely to make much impression. It would be sad if the realistic plan which has been put forward, which has secured government backing and which will be watched with interest in many countries should fail through lack of imagination, effort and enthusiastic support. Arousing public interest in this matter is likely to be one of the best ways of seeing that the plan is energetically pursued.

Professor Sir David Smithers

A new Family Doctor booklet called *A New Look at Cancer* by Professor Sir David Smithers was published by the British Medical Association, price 15p, on October 22.



Michaelangelo liked Sofonista Anguissola's Three Sisters

that, if such a conspiracy existed, it had kinder motives—and sounder reasons—than Dr Tufts allows. Her dilemma is neatly illustrated by a certain Mr Peale, of Philadelphia (uncle to the nineteenth-century society painter Sarah Peale), who named his four sons Raphaelle, Rembrandt, Rubens and Titian, and wishing to do as well by his four daughters, called them Angelica Kauffmann, Sofonisba Anguissola, Rosalba Carriera and Sybilla Merian. All the Peale girls' namesakes figure prominently in Dr Tufts's book, and all four are singularly able painters—indeed, one can well see why Sofonisba's portraits (especially the subtle, minutely observed and marvellously composed painting of her *Three Sisters Playing Chess*) pleased the Pope and Michelangelo, while Sybilla Merian's strange, delicate, sinister studies of Sumerian birds and insects are among the finest things in this book; but one cannot help feeling, with Mr Peale, that his girls' names were not much to set beside his boys'. Art criticism is not Dr Tufts's forte and, to do her justice, she does not attempt to compare her subjects with their great contemporaries save in point of prices (Lavinia Teerling, court painter to Henry VIII and his three children, had a higher wage than Holbein) or tributes paid (Angelica Kauffmann had a funeral "unparalleled in Rome since the death of Raphael"). What most strikingly links all these artists—and perhaps partly explains why even the finest remain indisputably minor—is their modesty, conventionality, above all their almost total lack of interest in any kind of radical innovation. Personal eccentricity is nearly always in inverse proportion to aesthetic calibre—Rosa Bonheur, who astonished mid-nineteenth century Paris by smoking, wearing trousers and keeping a sheep on the balcony of the family's sixth-floor flat, produced a series of lamentably dull animal paintings; Edmonia

Lewis—half North American Indian, half Negro, tried for double murder while still a schoolgirl—is perhaps the most extraordinary character in this book, and undoubtedly the most banal artist; Artemisia Gentileschi, who was raped in her own studio at the age of 18 and whose favourite theme thereafter was Judith with the Head of Holofernes, paints Judith sawing away at her seducer's neck with brawny arms and an abstracted frown for all the world like a cook at work on a particularly obstinate joint in her kitchen. This is, in short, a book which holds small comfort for women's libbers, and one which will not even serve as a text on Mao's inhumanity to women since (despite the shortcomings of male chroniclers) practically all these artists, at any rate until the nineteenth century, were painters' daughters whose careers would not have been possible at all without their fathers' help, not to mention their friends', lovers' and husbands'.

Perhaps the most poignant reproduction in the book is a portrait medal of the celebrated sixteenth-century Bohemian painter, Lavinia Fontana, whose husband abandoned his own career to look after the children (she had 11) and paint his wife's picture frames. It shows a comfortable, commanding matron with straddled legs and hair on end seated at her easel in an attitude which, combining physical exhaustion with mental frenzy, conveys a vivid sense of something on which Dr Tufts barely touches—the truly formidable social, domestic, sexual and financial problems with which most, if not all of these indomitable women must have had to contend.

Hilary Spurling

Women who painted, but were hardly old masters

It is a curious fact that, whereas lady novelists have never been in short supply, most people would be hard pressed to name even half a dozen women painters before the twentieth century, let alone one who achieved any-

thing like the stature of, say, Jane Austen or George Eliot. Indeed, until quite recently, the general view was well put by Dr Johnson who thought portrait painting an improper employment for a woman.

"Public practice of any art," he observed, "and staring in men's faces, is very indelicate for a female."

But Dr Eleanor Tufts of the Southern Methodist University, Dallas, has set out single-handedly to right the wrongs done down the ages to her sex in a book—*Our Hidden Heritage. Five Centuries of Women Artists* (to be published by Paddington Press on Monday at £5.95)—which shows that anything men did, women could do too, whether it was High Renaissance, rococo or French neoclassical portraits, Elizabethan miniatures, Italian altar pieces or Dutch interiors. Dr Tufts has assembled 22 artists in confound (or perhaps confirm) Dr Johnson's male chauvinism. Self-portraits of these ladies at their easels provide a bewildering pot-pourri of styles—as well as an interesting sidelight on the charming clothes they wore for painting, from the sixteenth century Catharina van Hemessen, pale and prim in long red velvet sleeves with pink lace collar and cuffs to the seventeenth century Judith Leyster, negligently dangling a loaded brush against her immense and exquisitely starched white ruff, or Elisabetta Sirani whose low-cut bodice, billowing sleeves and lavish jewellery suggest a fine indifference to the oily palette in her hand.

Just over a 100 years later Elisabeth Vigée-Lebrun attacks her canvas in an enchanting muslin mob-cap, frills, ruffles and a huge silk sash, while Paula Modersohn-Becker—a decidedly less seductive representative of the twentieth century—grimly confronts hers in nothing but a necklace.

Comparatively few of these names are likely to be even moderately well known today and Dr Tufts, taking a stern line with art historians, puts their neglect down to a "conspiracy of silence" on the part of "male chroniclers". Her readers may well feel



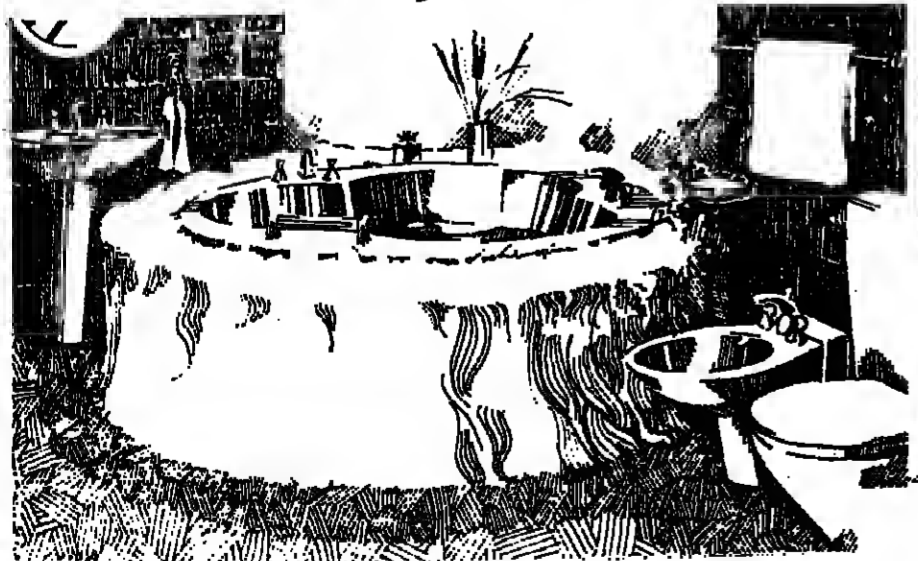
Churchill centenary



In celebration of the centenary of the birth of Winston Churchill, *The Illustrated London News* publishes a pictorial memoir about the man and his life from his birth at Blenheim Palace on November 30, 1874, to the burial in the churchyard at nearby Bladen 90 years later. More than 50 photographs record the many sides of Churchill's long and crowded career and there are special articles on: *Churchill's birth and the influence of Blenheim* by David Green; *Churchill as a Parliamentarian* by Lord Boothby; *The man and his letters* by Martin Gilbert plus a pictorial feature on Chartwell, the home Churchill bought in 1922 which became the centre of his existence.

November issue, on sale now, 40p.

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Stock Exchange Prices
Strong rally in gold shares

ACCOUNT DAYS: Dealings Began Oct 14. Dealings End Today. 5 Contango Day, Oct 28. Settlement Day, Nov 5.
Forward bargains are permitted on two previous days.



Main stock exchange price table with columns for company names, prices, and changes. Includes sections for British Funds, Commercial and Industrial, Commonwealth and Foreign, Local Authorities, Foreign Stocks, Dollar Stocks, Banks and Discounts, Breweries and Distilleries, and Shipping.

Vertical advertisement on the right edge for 'Nation' and 'sterlin' with a 'W' logo and other text.

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THE TIMES
BUSINESS NEWS

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Inflation fears boost gold as sterling and dollar weaken

By Melvyn Westlake
A fresh wave of nervousness about inflation and the world economy contributed to a sharp rise in the gold price on European bullion markets yesterday, and stable selling of sterling and the dollar.
The price of gold leapt \$6.50 an ounce, to close at \$164.25—its highest level for five months. Dealers reported a "active" trading and a "large" turnover.
It was regarded as significant that the price had once again broken through the "psychological barrier" of \$160 an ounce.
The pound continued the steady decline that has characterized trading this week. Effective (trade-weighted) depreciation rate against 10 key currencies, worsened to 18.9 per cent—its weakest level for more than eight months. This rate compares with 17.6 per cent at the beginning of October.



Mr Rowland Wright: elected next chairman by the ICI board.

ICI board elects new chairman

By Peter Hill
Sir Jack Callard, chairman of Imperial Chemical Industries, Britain's largest private sector industrial organisation, is to retire at the end of his four-year service contract.
The announcement was made by the group yesterday at the chairman's request. It was being emphasised that there was no significance in the announcement since it confirmed Sir Jack's stated intention to retire at the end of his four-year service contract.
He will be succeeded by Mr Rowland Wright, one of the group's three deputy chairmen, who was elected at a meeting of the ICI board yesterday. Mr Wright will take over the running of the group at a particularly critical time against the background of government plans for increased state intervention in industry.

Insurance groups mount rescue operations for Jessel and Edward Bates offshoots

By John Plender and Margaret Stone
A rescue operation is to be mounted for London Indemnity and General Insurance, the Jessel Securities insurance offshoot which was revealed to be technically insolvent last week. And the decision of London and Manchester Insurance to buy Welfare Insurance from Edward Bates, should effectively put an end to the run on Welfare.
Edward Bates & Sons (Holdings) is expected to incur a book loss of nearly £20m on the sale of Welfare to London and Manchester. Under provisional heads of agreement, the financial and banking group is required to inject £2m of fresh capital into its troubled insurance subsidiary. London and Manchester will then pay £50,000 for the share capital of Welfare.

News of the takeover follows the announcement last week that Bates had entered negotiations with London and Manchester. Earlier, the Department of Trade had issued statutory warning that it might stop Welfare writing new business. The talks were given added urgency when it was revealed last week that London Indemnity was the subject of a rescue operation. This prompted a rush of redemptions at Welfare. Nearly £40m of its £27m life fund at December 31, 1973 consisted of guaranteed growth and income bonds. Since then the value of the life fund has fallen to around £50m while redemptions have reduced the total growth and income bond figure to less than £30m.

30 companies to cover London Indemnity's policies

Good news for the 80,000 policyholders in London Indemnity and General Insurance and other insurance companies including Commercial Union, the Prudential and Hambro Life, have subject to certain conditions been fulfilled agreed to meet most of the LIC's obligations to policyholders.
For guaranteed income bondholders, the largest class of policyholder, the rescue consortium has agreed to meet the maturity and income benefits attached to the bonds. Existing guaranteed surrender values will be replaced with the going actuarial surrender value. Other policyholders of LIC will also be protected.

Annuitants, however, will have to accept an across-the-board reduction of 10 per cent in their income benefits. Holders of regular premium contracts—unit-linked assurance—linked to Jessel Britannia unit trusts—will lose surrender guarantees but this will not affect their right to cash in their policies when they wish.
The process of events is that LIC will be placed into liquidation so that the courts, under the Insurance Companies (Amendment) Act, 1973, can appoint a special manager to look after the interests of the policyholders by running the company on a going basis until a purchaser can be found. The rescue consortium will then seek to take over the assets of LIC provided that a detailed investigation of the company's assets and liabilities is not materially different to the situation as the consortium understands it.

Call for building societies to look at rental scheme

By Margaret Stone
Mr Tim Timberlake, the chief general manager of the Abbey National Building Society, has called for a considerable widening of the present narrow financial functions of building societies.
In an article in the current issue of the quarterly journal of the Building Societies Institute, he argues that the societies base of operations is very narrow indeed and could be usefully widened to include the provision of rented accommodation.
Mr Timberlake went on to say that with the virtual disappearance of the private landlord and consequently the need for advances on investment property, the building societies could take on some of the voiding of rented accommodation.
"I would have thought", he said, "that we were probably more experienced and far more likely to do this than some of the agencies which are presently doing it."

SE calls for further £350 from members

By Our Financial Staff
Each member of the Stock Exchange is going to have to pay a further £350 to top up the compensation fund which guarantees investors against losses arising from stockbroker failures. This follows the demise of six stockbroker firms since mid-1973, and the £350 is additional to calls so far this year of £300.
The Stock Exchange had given a warning that a further £100 would probably be necessary to top up the fund, though detailed figures and the failure of another firm, Tustain L'Estrange, recently has led to the present demand which will produce around £1.5m.
The idea is that this will be enough to meet all possible liabilities and leave the fund standing at around £1m. However, Shares inquiry: The Stock Exchange is holding an inquiry into dealings in the shares of Manchester Liners, the North Atlantic container ship operator. During September and the early days of October, Euro-Canadian Ship Holdings purchased just under 30 per cent of the equity in Manchester Liners, which is controlled by Furness Withy with its holding of 62 per cent. After acquiring around 29 per cent of the equity, Euro-Canadian extended its offer to cover all the publicly-held shares in Manchester Liners. The move was opposed by Furness Withy. Financial Editor, page 23

White House hints of tougher measures

From Frank Vogel
Washington, Oct 24
White House officials are stressing that the Administration is willing to be flexible on such matters as the proposed 5 per cent surtax. However, they say, has still not ruled out the possibility that tough legislation may be needed to reduce oil imports.
Mr William Seidman, the President's chief economic policy coordinator, stated in a television interview last night that the President was determined to work with the Congress to find "a sound basis for an economic recovery" and that it might be necessary to change some of his recent legislative proposals.
Other White House officials say that a second and tougher package of economic measures may have to be announced before too long. No one expects, however, that the President will change the present programme before the elections on November 5.
To the charge that the Administration is doing very little to counter the recession, Mr Seidman noted that President Ford has advocated direct aid to the housing industry, an expanded unemployment insurance scheme, a public works programme and tax relief for low income groups. He suggested that if the slump gets worse the President might be prepared to modify his demands for a 5 per cent rise in income taxes.

BP confirms its fourth big oil find in N Sea

By Roger Vielvoe
British Petroleum has confirmed that it has found its fourth large oil field in the North Sea. It is named Andrew and is 145 miles north-east of Aberdeen.
Indications of oil were found on block 16/28 in June and BP has completed a test programme that has confirmed the discovery as an oilfield.
In a statement the company said: "A substantial thickness of oil saturated sands has been penetrated and oil, was tested at a flow rate of 5,000 barrels a day through a one inch choke. The results indicate the existence of an oilfield."
The structure drilled by BP extends into the adjoining block 16/27 which is held by a group headed by Phillips Petroleum.
About 60 miles south-east of the discovery is the Forthies field which BP hopes to have in production next year. BP has also discovered the Ninia field (in association with Burmah) and the Magnus field.
Deeper petrol likely: Motorists may have to pay at least 10p a gallon more for petrol shortly, so that industry can be shielded from another crippling increase in their fuel bills.

Neddy help urged for social contract

By Maurice Corio
Industrial Editor
A suggestion that the National Economic Development Council be called in to help strengthen the social contract came last night from Mr Ronald McIntosh, director general of the Neddy office.
His appeal for a new tripartite dialogue between Government, management and trade unions comes ahead of next week's council meeting, the first since the election and the Prime Minister's separate talks with the CBI and TUC about the priorities for economic strategy.
In Bristol, Mr McIntosh spoke of a deep and widespread scepticism about our ability, as a country, to follow a consistent economic strategy for more than quite short periods.

Many people on both sides of industry had had their fingers badly burnt—often more than once—by abrupt changes in governmental policy, unpredictable cuts in public spending, and share fluctuations in economic activity.
What was now needed was a realistic strategy, which had the broad assent of management and unions, for getting through the recession and so on.
To minimize the risk of having to take short-term action.
While government had a particular responsibility to make judgments, experience had shown that it needed the broad support of management and unions.
"For this reason, I believe it would be timely and helpful, if the parties to the NED council were to try to reach agreement on three things", he declared.
1. To consider the problems to be faced over the next three to four years, the probable world environment, the likely resources available, and the constraints imposed by the balance of payments.
2. To see how far there was agreement on the objectives of short and medium-term policies in terms of employment, investment, inflation and so on.
3. To reach agreement on a broad strategy for meeting the objectives and avoiding conflicts.
He did not pretend that this would be an easy task, said Mr McIntosh. "But the involvement of Government, management and unions should result in a wider understanding of our problems and of the options before us."

INTERIM STATEMENT
GILL & DUFFUS
INTERIM STATEMENT
Profit: Set out below is the Board's estimate of the annual profit which is considered to be more informative than the provision of half-yearly figures.
Year ended 31.12.74 (estimated) £5,750,000
Year ended 31.12.73 (actual) £5,186,124
GROUP PROFIT £5,750,000
TAXATION 2,350,000
PROFIT AFTER TAXATION £2,900,000

UNEMPLOYMENT AND VACANCIES

Table with columns for Year, Total unemployed, Seasonally adjusted, Vacancies, and Adult vacancies. Rows for 1973, 1974, and monthly data from Oct 1974 to Oct 1975.

How the markets moved

Table showing market movements for Rises, Falls, and THE POUND. Includes data for various currencies and commodities.

THE POUND

Table showing exchange rates for various currencies: Australia, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Hong Kong, Italy, Japan, Netherlands, Norway, Portugal, S Africa, Spain, Sweden, Switzerland, US, Yugoslavia, and Dm.

Hill Samuel rejects proposals on Herstatt

By Christopher Wilkins
Banking Correspondent
Hill Samuel has decided to reject the revised settlement proposals for creditors involved in the Herstatt Bank collapse. In a statement yesterday the bank described the scheme as "unacceptable to Hill Samuel in its present form."
However, the merchant bank also revealed that its eventual losses, assuming the present proposals went ahead, could be as little as £3.7m out of total claims of £29m (reduced to £8.2m including a deposit held from Herstatt).
This amount falls to only £1.8m after United Kingdom tax relief, and Hill Samuel has written this amount off its inner reserves.
The bank has been joined in its rejection by the German Bankische Internationale Leasingbank, which said yesterday that it did not favour an agreed settlement with creditors in the liquidation of Herstatt and will press for bankruptcy proceedings to begin.
For the revised proposals to be approved, the support of all banks and local authorities and 55 per cent of other creditors is required. So, although Hill Samuel has not yet laid the independent negotiator of its position, the scheme would appear to be doomed.
It has recently become clear that there are few points upon which the creditors can agree. The first settlement proposal was rejected by local authorities in Germany, but when their share of the proposed repayments, together with that of German banks and non-bank creditors, was raised, it brought fresh objections from foreign bank creditors. The repayments offered to foreign banks has remained constant at 55 per cent, but Hill Samuel and others have argued that those banks which were caught in spot foreign exchange deals might appear to be disadvantaged.
Hill Samuel has also been concerned about the proposal that all claims, including claims brought by itself and First National City Bank in the United States, should be abandoned.

These claims involve Hill Samuel in interpleader proceedings started by Chase Manhattan Bank which has sought the direction of the United States courts over the disposal of \$160m (nearly £99m) which it holds for Herstatt's account.
Hill Samuel is also now involved in legal proceedings in Germany against the Federal Bank on the grounds that the bank failed to exercise due care in its handling of the withdrawal of Herstatt's banking licence.
Financial Editor, page 23

Dunlop shares rise after £20m profit

Better than expected profits for the six months to June 30 lifted the Dunlop share price 3p to 32p on the stock market yesterday. Pretax profits of Dunlop Holdings for the half year rose from £17m to £20.8m on sales up from £351m to £415m.
Financial Editor, page 23

What you don't know can hurt you.

The Economist
The perceptive man has always read The Economist regularly.
Because he knows it is the only weekly newspaper which gives him the breadth of information and analysis of events he needs to make important decisions.
But in the volatile economic and political climate today there is an even more urgent reason for reading The Economist every week.
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Managers' pay rises behind price index and national average

By Rodney Cowton

Although the average salary for a manager in the United Kingdom has risen to more than £5,300 it is rising more slowly than either the retail price index or the average earnings of the whole of the national workforce.

This is among the points emerging from the latest survey of executive salaries and fringe benefits published by Ingham AIC Salary Research Unit.

The survey shows that the average managerial salary in July this year stood at £5,363, an increase of 12 per cent since July, 1973, and of 42 per cent since July, 1970. This compares with a movement of 17 per cent in the retail price index from July, 1973, to July this year, and of 18 per cent in average earnings.

Mr Nigel Bryant, editor of the survey, which covered more than 5,300 executives in 431 companies, reckons there was a substantial surge in executive salaries after the abolition of the Pay Board in July, and that if the survey had been conducted in October it would have shown a rate of increase over 12 months of at least 16 per cent.

Mr Bryant commented: "Once again, it is not managers who have had the largest pay rises. On the contrary, the levelling-up process from the shop floor continues. It is probable that, more than any other factor, which leads the able and ambitious manager to look abroad for better opportunities."

The survey shows that 53 per cent of British managers earn less than £5,000 and 40 per cent between £5,000 and £10,000.

The survey also covers fringe benefits and shows that the number of executives with company cars has risen from 55 per cent last year to 62 per cent this year, which suggests that the provision of this facility may have been used to offset the limitations on salary increases.

Among other common fringe benefits are subsidised lunches (64 per cent of all executives), free life assurance (75 per cent), free medical insurance (30 per cent) and bonuses (32 per cent).

"Survey of Executive Salaries and Fringe Benefits, published by Salary Research Unit Ingham AIC Management Consultants, London, price £30.

Strikers at IMI told of 6,000 jobs in danger

By Clifford Webb

Imperial Metal Industries yesterday told 1,000 craftsmen that their three-week-old unofficial strike had cost the company more than £6m in output and was endangering the jobs of all 6,000 workers at the factors in Witton, Birmingham.

Production has been at a standstill since the first two days of the strike which was called in support of a £15-a-week pay claim. The remaining 5,000 workpeople are laid off.

Witton is IMI's largest and most important manufacturing complex housing the largest sporting ammunition factory in the country, the only titanium-producing plant for the aerospace industries, one of the most modern copper strip-sheet and wire mills in Europe and other plants producing zirconium, engineering components and plastic taps. The company is refusing to resume pay talks until the craftsmen return to work.

NFU warning against 'fragmentation' risk in transfer tax scheme

By Hugh Clayton

Concerted opposition to the proposed capital transfer tax came yesterday from the National Farmers' Union and its counterparts in Scotland and Northern Ireland.

They said in a joint submission to Mr Healey, the Chancellor, that any such tax must be formulated so as not to lead to fragmentation of farms.

The Forestry Committee of Great Britain said the transfer tax combined with the proposed wealth tax would destroy the private forestry sector in Britain. Its members produce more than 8 per cent of the nation's timber and timber product needs.

The Earl of Lonsdale, chairman of the committee, said yesterday: "If these measures go through, there will be no more private tree planting, the existing woodlands will be threatened with felling to meet tax liabilities and the British public will lose the amenity value of our woodland."

"The cost of imported timber and products reached a record £1,300m in 1973 and this will rise because more and more overseas industries want to sell us manufactured timber products instead of raw timber."

The farming unions told Mr Healey: "Because of the low rate of return obtained from agricultural land, we believe that any capital transfer tax assessment should be based on the earning ability of the land rather than its open market value."

They asked for further talks with the Government and pointed out that the personal taxation of farmers with substantial assets was already higher in Britain than elsewhere in Europe.

LETTERS TO THE EDITOR

Comparisons with continental costs

From Mr R. W. Evans

David McCormick (October 18) has beaten me to it, but I feel I must now put to paper regarding the continual reference to costs of certain goods and services to our friends on the Continent being expressed as the sterling equivalent based on current rates of exchange.

Home News, October 16) falls into the same trap by expressing the cost of a television licence in Denmark as £42.57 and Holland £17, but this is simply not true. The cost is D. Kronec 600 and D.Pls. 108 respectively, and to the Dane or Dutchman, is most certainly not expensive bearing in mind their highest standard of living generally.

Does Mr Gosling think that as the rate of exchange against the Dutch florin has changed from 10 to the pound to 6.25 in the pound the cost of a Dutch television licence has gone up from £10 to £17? Of course it has not—it was Fls. 108 some years ago and still is.

The same ridiculous basis is perpetuated time and again by irresponsible commentators of the Continental scene, particularly regarding petrol prices. We all know it costs a British holidaymaker far more to buy a gallon of petrol in France as he has to use precious francs purchased with heavily devalued sterling, but to the Frenchman, Dutchman or German the cost is nothing like the figures bandied about in the press—the cost in them is roughly the same as our 55p a gallon.

May I suggest that the media recognizes this fact and uses for comparison purposes exchange rates of say D.Fls. 8.5 and DM8 equals £1 for instance, to arrive at a more equitable comparison. Also it is interesting to compare the cost to us in sterling for a tourist return air fare London/Rotterdam (£44) and the same journey for a Dutchman (D.Fls.348).

I would add that sugar was about the same price in Bremen last week (DM 1.10 a kg) as the price in my local supermarket (15p for 2lb of English granulated). Once again this confounds the media, who make uninformed criticism of how much more expensive sugar is, on the Continent, whereas although the prices mentioned above are roughly comparable (taking DM 6.10 to £1), it is in fact cheaper for the Germans, who enjoy far higher wages/salaries, etc.

Yours faithfully,
R. W. EVANS,
The Squirrels,
Mill Lane,
Broxbourne,
Herts.

indices of its membec countries.

The rate for the United Kingdom and western Germany, determined in January, 1974, was DM 8.94 to the £ instead of approximately DM 6. Unfortunately this is not a theoretical value; it is being used throughout the current year for certain practical international calculations such as concern people entitled to social security benefits from both countries, naturally to the disadvantage of British residents.

As to the comparable cost of a 50 pfennigs stamp, this would appear to be 5p to the German resident.

Yours faithfully
HANS WOLFF
New Foxley,
Peppard Common,
Henley on Thames
Oxfordshire
October 18

From Professor Michael Balfour

Sir, The logic of Mr McCormick's letter (October 18) is that, since our yardsticks are imperfect, we should draw no comparisons.

All the same, I still think we would do well to realize that, by the exchange rate governing our current trade, our external postal rate is almost half the internal rate of another country. For it suggests to me that we are getting our postage on the cheap, which may help to explain why our letters are so slow to arrive.

Yours faithfully,
MICHAEL BALFOUR,
Waione's Cottage,
Swan Lane,
Burford,
Oxfordshire,
October 21.

CBI chief calls for sacrifices all round

By Ronald Kershaw
Northern Industrial Correspondent

A call for a combined effort from employers, trade unions and the Government to put aside their differences and all make sacrifices to help Britain overcome its economic problems was made by Mr R. M. Bateman, president of the Confederation of British Industry, at the annual conference of the Institute of Personnel Management at Harrogate yesterday.

Mr Bateman said the CBI and the Government had more in common than they had differences. "Neither of us wants statutory pay control, high unemployment or low investment. Both of us want a thriving and profitable private sector and the prospect of a better economic and social framework based on rising production and productivity."

"We must seek to build upon these areas of agreement and put aside our differences. The message is that companies, the trade unions and the Government must all make sacrifices in order to help the nation overcome the situation."

Companies had already made their contribution, prices had been kept down by statute for so long that many companies had reached the point where they could not go on. Employees, too had paid their part of the price by accepting statutory pay control for 20 months.

"The inflationary spiral had yet to be defeated. If we were to avoid the statutory control of incomes a workable and effective voluntary system must be produced. The Government must join with the rest in scaling down their expectations."

Koreans place £7m orders in UK for car plant

By Edward Townsend

Hyundai Motors, the South Korean company setting up a new car manufacturing plant and investing up to £17m in British equipment and components, has already ordered £7m worth from British companies, it was revealed yesterday.

Mr George Turnbull, the managing director of British Leyland and now vice-president of Hyundai Motors, said in London that this included contracts worth several hundred thousand pounds placed with about eight British machine tool companies.

Other companies involved in the £42m project are CAV, the Lucas subsidiary, Girling, Automotive Products and Burnmo and Sons.

Although the South Korean plant is not yet built, a prototype of Hyundai's new 1300cc family saloon is to be unveiled at the Turin motor show in Italy next week.

Business Diary, page 23

Scientists look to sea for energy

By Kenneth Owen,
Technology Correspondent

Harnessing the tidal power of the Bristol Channel could supply about 12 per cent of Britain's present electricity demand at a cost which might now be economic, according to scientists of the Central Electricity Research Laboratories, Leatherhead, Surrey. A detailed study would be necessary before firm costs could be calculated.

In an assessment of the potential of natural energy sources, the conference was told that there was sufficient energy in the waves of the sea to supply most of our needs for most of the time if a satisfactory method could be found to harness and store it.

But the practical difficulties were daunting and the costs, as present appeared uncompetitive. Nevertheless, a research programme was justified, because of the enormous potential benefits.

Wind power was another possibility.

EEC drafts plan for Gatt talks

From David Cross
Brussels, Oct 24

Now that prospects are brighter for a start to substantive multilateral trade talks in Geneva early next year, the European Commission is anxious that the European Community should amplify its negotiating position.

At a press conference in Brussels today, Sir Christopher Soames, the commissioner for external affairs, said it was essential to get the negotiations under way as soon as possible.

To achieve this aim, the commission yesterday approved a new draft proposal, updating and expanding the general guidelines for the talks which the community approved more than a year ago. Since then the talks have been held up because the United States Congress has refused to authorize its administration to pursue negotiations further.

In the new proposal there is now much more emphasis on the problem of export restrictions in a world economy increasingly characterized by insecurity of supplies.

Tax refunds

From Miss Denise Mackenzie Davey

Sir, Last month I received a refund of income tax of £50 due to my father on his death over three years ago. This month I received a bill from the Inland Revenue of £1.18 which is the agreed overpayment of repayment, and one from the accountants of £52.46. Who benefits?

Yours faithfully,
DENISE MACKENZIE DAVEY,
16 Kent Terrace,
Regeot's Park,
London, N.W.1.

Full statements

From Mr Francis Stoner

Sir, Mr J. Edwin Holmstrom (October 18) does not have to bank with Coutts & Co to receive a full narrative statement.

Although the National Giro does not provide details of the passes of cheques, it sends out a statement every time there is a credit to one's account, and all credits of the type Mr Holmstrom mentions are identified in words, and with the actual transaction document enclosed where applicable.

FRANCIS STONER,
210 Headington Road,
Oxford.

Money talks

From Mr M. C. Wordsworth

Sir, In Business Diary (October 18) there was a photograph by John Manning of a door in Harley Street with an English word above the bell and an Arabic word beneath it. Your caption "Money Talks" was perhaps truer than you knew, because the English word is "patients" and the Arabic word is "duyyuf" — "guesses".

Yours faithfully,
M. C. WORDSWORTH,
Claydon Farm,
Britton Bradstock,
Bridport, Dorset.



COURVOISIER COGNAC The Brandy of Napoleon



Some of our successes have been quite devastating.

The tale is told that the extent of Wellington's campaign became known in advance to the firm of Fribourg & Treyer, of the Haymarket, by the size of the shipment of snuff to the Peninsula ordered by the Light Division.

Contemporary sources also have it that the empty canisters, bearing the firm's august name, were fired with effect on the field of battle when the regular shot was exhausted.

Times, however, change. And a taper may now be applied to a Fribourg & Treyer No. 1 Filter de Luxe, on sale at our Haymarket shop, outstanding London hotels, restaurants, clubs and tobacconists* in the expectation of nothing more than a pleasure you will savour and return to.

*No. 1 Filter de Luxe is available at £4.40 for 200 including post and packing from 34 Haymarket, London S.W.1.
Or send for the rather distinctive catalogue of our full range of cigarettes, cigars, tobacco and smokers' requisites, house wines and other fine products.



EVERY PACKET CARRIES A GOVERNMENT HEALTH WARNING

BY THE FINANCIAL EDITOR

Compensation: the proper alternative

Another call of £350 to top up The Stock Exchange compensation fund—a sum incidentally which I find hard to believe...

help so far from the falling natural rubber price. Outside the United Kingdom there have been good performances from most of Duolop's Union subsidiaries...

slackening, but confined so far to rescheduling. A yield of 11.4 per cent with the shares 2 1/2p down yesterday at 43 1/2p may be little more than average these days...

Either of these alternatives may have superficial attractions—though a safe-and-lease-back arrangement on the building would present capital gains tax and Trust Deed problems.

Interim: 1974 (1973) Capitalization £31.5m Sales £419m (£351m) Pre-tax profits £20.8m (£17.0m) Dividend 2.5p (2.5p)

UBM Margins under pressure A 26 per cent drop in UEM Group's interim pre-tax profits looks savage given a 6 per cent sales rise.

Perhaps members should be more concerned with the efforts now being made to avoid failures and question whether even tighter controls by the council are necessary.

Welfare Paying for the privilege To find a buyer for an insurance company today is no mean feat. But Mr. Edward Bates is undoubtedly paying for the privilege.

UBM Margins under pressure (continued) Inevitably there is a gearing effect between gross margin reductions and the effect on net (pre-tax) margins and UEM's are over two points down at the interim.

unlop Defying the pessimists A really pleasant surprise one checking interim figures in Duolop yesterday was that United Kingdom end of the interim was no less well than the year before.

McKechnie Bros The costs of stock financing A high overseas content has helped McKechnie Brothers virtually to maintain the preceding year's pre-tax profits momentum with a 52 per cent improvement to £15.5m.

Hill Samuel Underlying resilience There has been no shortage of question marks surrounding Hill Samuel this year, so it is something that the interim statement lays two bogeys. The Herstatt writedown seems likely to be restricted to only £1.5m after tax relief.

Jack has broken with the tradition established by his two direct predecessors. Sir Allen left the Millbank at the age of 65 and 'aul' Chambers departed at 64.

Regal Air There was an air of quiet satisfaction at the Bedford Square headquarters of the Association of Certified Accountants in London yesterday.

George Rees: supporter of accountants' integration. This means that of the six organizations looking after accountants' affairs in this country five now have royal charters, the public finance and local authority men having bagged their a year ago to become the Chartered Institute of Public Finance and Accountancy.

Long-term fund needed to stimulate investment by industry

Six months after a Budget which imposed heavy taxes on illusory corporate gains for largely political reasons, the authorities now realize that in the face of rising unemployment and their own grim financial statistics, they will have to improve industry's position.

What are these industrial, financial and social strains? Industry's problems have been well enough publicized to be appreciated even by the Government. High raw material costs, enormous wage demands, increased corporation tax and a rising rate of inflation have squeezed industrial profits to unprecedentedly low levels.

Reduced profits show up not only in the profit and loss account, but also outside the Employment Exchange. Inevitably there is a gearing effect between gross margin reductions and the effect on net (pre-tax) margins and UEM's are over two points down at the interim.

the banking system by the institutions in order to achieve some of the best returns currently available, there is no cause for concern about the volume of funds available for industry. But these funds are essentially short-term.

Everybody is feeling the consequences of the pressures on public services and particularly the health service. Today there are whippers of a four-day post; tomorrow there may be a part-time health service.

What then are the options? The Government will have the following choices: it can print money as in the past, spend its way out and at the same time watch inflation spiral and sterling sink. It can force the banks and institutions to lend, jeopardize depositors' funds, including industrial contributions to pension funds, and thereby increase the pound industry's debt servicing problems.

Some steps can be taken immediately to counteract the effect of the March Budget and other recent political decisions. They include measures to relax price controls to change penal tax laws and to bring forward an accounting procedure to eliminate the taxation of unreal profit.

Some of the pressures can be alleviated by persuading institutions to place their savings, either directly with the clearing banks, to enable them to make more medium-term investments under present conditions and with the existing framework, neither banks nor the institutions will be able to provide the amounts and types of funds required.

Whether the "Leaver bank" will provide the types of finance required for such long-term projects is not yet known, but it does seem as if a slight modification to the proposals associated with the name of Mr. Leaver, Chancellor of the Duchy of Lancaster, could transfer the "bank" into an investment fund which would go considerably farther than merely enabling the banking system to make medium-term loans.

panies have been made simply by the application of effective financial controls; yet the controls on central and local authority expenditure are in many cases virtually non-existent.

First, we do not believe that such an enormous change in our political and economic system can be made in a short period of time, even if some of the arguments put forward by its supporters are valid.

But with the present rate of inflation and the increasing incidence of widespread bankruptcies, it is no moment to echo Gladstone and say: "You cannot fight against the future." Time is on our side.

Peter Readman and Anthony MacLean

France takes the sting out of joblessness

The agreement signed last week between the CNPF, the French employers' federation, and all trade union organizations, on the extension of benefits to cover 90 per cent of one year's wages in the event of dismissal for economic reasons.

The new scheme will be managed by the UNEDIC, the complementary unemployment insurance organization which was set up by employers and unions without state subsidies or intervention.

Employers and wage earners will pay only one contribution under both schemes, and the benefits will not be cumulative. The benefits of the new scheme will extend to those of the 16 million members of the trades and professions affiliated to the UNEDIC who have lost their employment for economic reasons (degeneration of business or reorganization of production), are under 60, who have not been employed for at least six months of the year preceding dismissal; who have registered at the National Employment Agency; and are not seasonally employed, and have not turned down a job or a

course of training offered by the agency. The government has made it clear that the scheme would also be extended to state or municipal employees working on a contract basis. But it does not cover the 800,000 domestic servants in France, or the even more numerous building workers.

Charles Hargrove

the precedent set by Sir Callard, the outgoing man of ICI. Rowland is set on course for a year term in the chair, when he takes up his job he is intended to retire he was 62—the official retirement age for all ICI staff—and he takes over next April at age 59.

Business Diary: Chemistry test • Accountants' charter

"open door" policy to bring on juniors and have also especially encouraged the recruitment of women, is likely to lead to a revival of efforts to bring all the accountants' organizations more closely together.

George Rees, president of the ACA—has a north of England practice with headquarters in Chesterfield, Derbyshire—has been a firm supporter of integration in the profession. He was elected in 1970 founder on non-acceptance by a majority of members of the Institute of Chartered Accountants in England and Wales.

education and training in consultative committee. The public at large for the moment will still nevertheless have to wrestle with the varied accountant titles. Chartered institute members will still be the chartered accountants while ACA members keep their title of certified accountants albeit with the new ACA title of incorporation by royal charter.

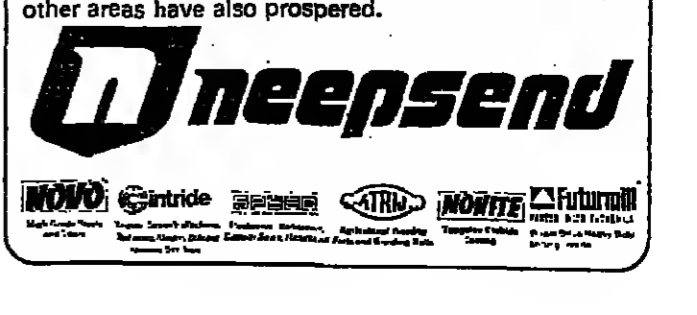
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George Rees: supporter of accountants' integration. This means that of the six organizations looking after accountants' affairs in this country five now have royal charters, the public finance and local authority men having bagged their a year ago to become the Chartered Institute of Public Finance and Accountancy.

Korean lure George Turnbull, the former British Leyland managing director who took on the daunting task of starting from scratch a new South Korean motor industry, is back in London to recruit one more senior British engineer to complete his management team.

Main points from the Chairman's Statement for the year ended 31 March, 1974

Sales have been at a record level during the year and I particularly stress the high level of direct exports at almost £1.2m. We have made special efforts to obtain increased export orders and this will continue as it is so essential to have this diversity of markets.



Japanese report faults in two GE reactors

Tokyo, Oct. 24.—Two Japanese electric power companies announced yesterday they each have discovered cracks in one of their hot water-type nuclear reactors...

British hotels busier and more expensive than on the continent

By David Young Britain's hotels are on average busier and more expensive than their European counterparts...

calculated in United States dollars, for British hotels in 1973 was \$29.15 compared with \$29.31 the year before and \$26.46 in 1971...

Independent airline 'more efficient'

By Arthur Reed Air Correspondent British Caledonian Airways, the independent airline, is more efficient than state-owned British Airways...

Conflicting car reports in Australia

From Our Own Correspondent Melbourne, Aug. 24 Two conflicting reports on the country's motor car industry have been given...

EEC boosts steel output

Output of raw steel among member countries of the International Iron and Steel Institute, which accounts for about 98 per cent of production outside the eastern bloc and China, rose to nearly 40 million tonnes last month...

Business appointments

Mr Kjell Qvale has become managing director of Newella Insulation. Mr Roy Bosanko and Mr Peter Jogg have been made board members of Oscan (GEC).

Jensen Motors chairman now managing director

Mr Kjell Qvale has become managing director of Newella Insulation. Mr Roy Bosanko and Mr Peter Jogg have been made board members of Oscan (GEC).

Aero exports on way to record

Britain's aerospace exports are already well on the way towards achieving another record year. Figures issued yesterday by the Society of British Aerospace Companies show that by the end of August the industry had met export orders worth \$400m...

Simple discipline, not so simple product

It is perhaps not sufficiently realized among film people generally that amid prophecies of filmic doom and anguished cries for film subsidies from government, the sponsored film area carries on its unsensational but unsubsidized way...

Dividend trimmed at Walker & Homer

After a setback to profits, Walker & Homer is cutting its dividend from 1.93p to 1.12p to preserve cash and facilities to finance stocks and orders...

Viners ahead by 21 pc

A major contribution to the group's improved overseas trading helped Viners, the Sheffield-based cutlery and steel tableware manufacturers, to offset the losses incurred during the three-day week and the erosion of profitability caused by ever increasing costs...

FINANCIAL NEWS

London Brick cuts interim as stock pile-up strains resources

By Ashley Druker Any feasible upturn for London Brick for the remainder of 1974 inevitably depends on demand revival in the short-term, the board said yesterday...

the new Government is pledged to giving priority to house-building. Again, within the industry generally, expectations appear to be for a private home building revival next spring...

Gill & Duffus predict peak year with £5.7m pre tax

With two months still to run until the year end, the board of the Gill & Duffus Group of international commodity merchants and brokers, says that it is heading for another record year with taxable profits estimated at £5.75m, against £5.18m...

Hopkinsons pin hopes on final leg

With its interim pre-tax profits down 34 per cent to £24,000, the board of Hopkinsons Holdings is looking to the second half to restore the situation. As output is rising, and orders are at an exceptionally high level, an improvement is seen for the period, unless industry is subjected to continuing restrictions on prices...

Berkeley Hambro's half-time decline

Reflecting the uncertainties in the property sector, Berkeley Hambro Property Co. in which Hambros and Prudential Assurance have large stakes, turns in half-time results showing a loss of £40,000 from estate development and property dealing (against a profit of £510,000)...

£11m surplus on Pontins' land

A revaluation of its fixed assets in the United Kingdom leaves the Pontins holiday camp group with a surplus of almost £11m over book values and a net asset value of 60p a share at March 31st...

Turriff growth check

Three months ago Turriff Construction Corporation looked for further improvement following the preceding year's 50 per cent earnings growth. But the poor first quarter and cost inflation has meant that half-time profits show only a slight rise...

Record £509,000 from Staffs Potteries

Having boosted taxable profits 52 per cent to best ever £509,000 last term Staffs Potteries sees the maintenance of margins in the face of inflation as its primary objective...

Damper on Linread

For a jump of nearly 62 per cent in interest charges Linread, the Birmingham-based makers of cold forged fasteners, taxable profits would have been a record. For the year, July 27 profits emerged at £578,000 against £282,000 after interest of £207,000 (£128,000) and depreciation of £262,000 (£184,000)...

Leeds Permanent

Assets of the Leeds Permanent Building Society reached £1,000m for the first time at £1,110m on September 30 last, against £971m a year earlier. Mortgage assets were up from £322.8m to £353.5m while investments and cash rose from £136m to £143m...

TPG-Newman Inds

Since September 27 Thomas Poole & Gladstone China has bought another 160,000 shares

Overseas

Gross first-half profit of Shell Française SA was 1,284m francs (about £177m). The corresponding figure last year was 365m francs...

Sir Hugh will use half of £25m US cash in backing SUITS' Scottish interests

By Anthony Rowley The "importance of liquidity and the advantage of cash in hand" decided Scottish and Universal Investments on accepting a reduced price from Carter Hawley Hale Stores, Inc. for shares in the House of Fraser...

On the transaction. The remaining cash will be used to expand SUITS' existing activities. Under the final deal (twice revised) SUITS has sold 21.25m House of Fraser shares to Carter at 121.5p each and retained 5,861,000 (5.6 per cent of the total). SUITS has agreed not to sell any of these shares or to purchase any more before October 15, 1975...

Turnround at Lake and Elliot

Including £119,000 arising from the introduction of uniform methods of stock valuation Lake & Elliot, makers of iron and steel castings, turned in a pre-tax profit of £20,000, their first since the £311,000 for their last term to July 31...

Lister's best year gives gain of 15pc

Building on a 11 per cent rise in interim profits to £724,000, Lister & Co, the textile group, has finished 1973-74 with a 15 per cent advance in profits to £1.4m before tax, on turnover ahead from £24.3m to £26.5m. Profits are given after adding a surplus of £18,000 (against £23,000) on the sale of fixed assets...

Dalgety raises offer for Crosfields' pref

By raising its cash offer for Crosfields & Calthrop's £150,000 of preference stock by 32 per cent to 46p per £1 nominal, Dalgety has won the recommendation of the C & C board...

Minet up 30 pc but stays cautious

Deriving its income chiefly from abroad, Minet Holdings, to spite of increasing expenses, reports a 30 per cent rise in pre-tax profits to £2.43m for the half to June 30. In the preceding full year profits advanced 46 per cent...

L & G-Napet position

At the same time as Napet Securities formally gained the day over Land & General Developments after the hotly disputed special meeting on Tuesday, the Takeover Panel gives notice that it is taking a close interest in the situation...

Brokers discuss merger

Stockbrokers Sternberg, Plover and Thomas Clarke, bond traders on the London market, are holding preliminary talks which could lead to a merger. A further statement is expected within a month. Sternberg is one of the major dealers in options, while Clarke specializes in portfolio management...

DOLLAR LAND HOLDINGS

Profit for 1973 £2,500 and not £8,500 as stated yesterday.

GOODYEAR TIRE

Third quarter net income, \$53.6m (\$26.5m); per share earnings, 74c (41c); sales, \$1,350m (\$1,162m).

PARI-BAS

First half gross operating profit down from 70.9m to 65.4m francs.

SANDVIK ORDER BOOST

Order intake of the Swedish group up 50 per cent for first half of 1974, bringing total to £150m and should result in sales of over £200m combined, which doubled profit of £40m.

HAMBRO-SWIRE IN HONGKONG

Hambros Bank, Britain's largest merchant bank, and Swire (HK) have formed Hambro Pacific, merchant bankers for HK and SE Asia.

NEEPSIND

Healthy order books and higher activity in six months to end September reported to meeting.

WOOD BASTOW From the Accounts Statement by Jon Wood, Chairman, for the year ended 30th June 1974. Sales—were up £1,005,617, an increase of 20%. Profit before tax—was up £103,200, an increase of 20%. Dividend—up 5%, the maximum permitted by current legislation. Prospects—demand in all sections continues to be very strong, and if budgeted sales and production are met a further improvement in profits will be achieved.

Oil groups push sharply ahead Huge increases in third quarter profits were returned yesterday by Standard Oil of Ohio and Continental Oil. Standard's net profit soared from \$18m to \$40.4m (about £15.8m). Income went up from \$530.3m against \$320.8m. The nine-month net profit has jumped from \$77.8m to \$112.3m from revenue of \$1,566m (\$1,095m). At Continental, profit for the quarter more than doubled at \$120m, against \$54.2m. Income was \$1,870m (\$1,128.6m). Net profit for the nine month period was \$328.8m (\$153.4m) from sales of \$5,315m (\$4,089m).

Swiss bank decides to liquidate The Amincor Bank, of Zurich, has voluntarily decided to go into liquidation because of shrinking of business. Amincor, controlled by an Italian group, has a capital of some 20m francs. It has deposited with Swiss Credit Bank the amounts of \$32.38m to £95.5m and customer deposits. Liquidation became inevitable, said a spokesman, when customers' deposits slumped sharply.

Estates & Co In the first 10 months of 1974, the first half of the year, the company has had a very successful start. The net profit for the first 10 months of 1974 is £100,000, compared with £50,000 for the same period in 1973. This is due to a combination of factors, including a 10% increase in sales and a 5% increase in profit margins.



FINANCIAL NEWS AND MARKET REPORTS

Stock markets

Gold active in late dealings

Industrial shares had another nervous session yesterday on the London stock market. The day's nervousness ahead of today's plans for the current session was heightened by indications of a hardening of the dollar and Left Wing moves. On a more domestic market men were upset by confirmation that there is to be a call for a further £350 a day to meet payments from the expansion fund for members of the public but in the absence of a poor start, and by close, most of the major issues were close to their own levels. The FT index ended a dip of 0.37 to 77.61, over remained moderate, recorded bargains at 6.04, once again, as compared with the previous session, increased selling pressure in the final hour brought a rise in gold shares, which reflected the success of London bullion price in going through the level of one ounce, regarded in some ways as a significant indication of future trends. Gold shares also finding on Wall Street, and prices were speeding in the final minutes. Gold (E91), President (E18), President Brand (E18), FS Geduld (E21) and

Anglo American Corporation (295p) all featured in the list of gains. Good profits from Dunlop Holdings helped the shares up by 2p to 32p, as well as playing a part in steadying the market. ICI (160p), Cartlidge (69p) and Pisons (185p) managed to recover from early weakness. A prominent feature were Gallaher shares (7p up at 131p) after market rumours that American Brands would offer 160p for the outstanding equity. But other tobacco shares had a quiet session. Bats (180p) and Imps (28p) found few takers. Banking issues made little response to a batch of reports in the other sections currently upsetting the section. Hill Samuel closed unchanged after a profits announcement which also gave further details of the implications of the involvement of Herstatt in Edward Bates Bank. Shares in Edward Bates Bank slipped to 35p after disclosure of the final details of the sale of subsidiary Welfare Insurance to London & Manchester Assurance. Heavy engineering shares could make no headway, although they succeeded in recouping their initial falls. Tube Investments (17p) closed unchanged on the day, and Flessey (61p) and BLMC (9p) were dull. On the company news sections, Hopkinson Holdings weakened to 42p on disappointing

ing half time profits. Also lower in the wake of a trading statement were shares in Marchwiel at 45p. UBM closed unchanged after the interim report, but Ash Spinning and Copydex were unsettled by their respective trading news. Brighter features included Greiff Chemicals, whose interim profits news pleased the market, and Staffordshire Pottery, Turfitt Construction and Gill & Duffus. Property shares turned in a dull performance. London Reale Securities gave up part of Wednesday's speculative gain. Berkeley Hambros, however, closed 6p up at 91p. Interest in oil shares was light, and early gains were eroded following an announcement from Burmah Oil of the sealing of an unsuccessful drilling. Australian mines moved up, with gold interests providing help in some cases. 23 equity turnover on October 23 was £45.2m (12,078 bargains). The ten most active stocks in yesterday's equity market, as listed by Exchange Telegraph, were ICI, Commercial Union (new), Burmah Oil, Shell, Gallaher, Gen. Elec., Marks & Spencer, Boots and Grand Metropolitan Hotels. Although the underfoot in gold remained firm, with healthy two-way business, prices ended up lower on the day, although off the bottom. The longer end of the market was weakest, making the yield curve even steeper.

Wall Street

New York, Oct. 24.—Wall Street prices resumed their decline early today and at 10.30 am the Dow Jones industrial average was 9.94 lower at 635.09. Eastman Kodak was among the weakest spots and fell 5 1/2 to 58 1/2. Yesterday's Dow Jones industrial average sank 17.83 to 645.03.

Drop in NY cotton

New York, Oct. 23.—COTTON futures No. 2 were down 2 1/2 to 38 1/2. The market was unsettled by reports that some Asian nations had bought a large amount of cotton, threatening to curtail sales. Cotton futures prices were generally lower, with No. 2 down 2 1/2 to 38 1/2. The market was unsettled by reports that some Asian nations had bought a large amount of cotton, threatening to curtail sales.

Drop in NY wheat

New York, Oct. 23.—WHEAT closed lower in New York. The market was unsettled by reports that some Asian nations had bought a large amount of wheat, threatening to curtail sales. Wheat futures prices were generally lower, with No. 2 down 2 1/2 to 38 1/2.

Drop in NY gold

New York, Oct. 23.—GOLD prices were down in New York. The market was unsettled by reports that some Asian nations had bought a large amount of gold, threatening to curtail sales. Gold prices were generally lower, with No. 2 down 2 1/2 to 38 1/2.

Table of stock prices including Wall Street, Canadian Prices, and various market indices.

Foreign Exchange

Pound falls to eight-month low

Sterling fell to its lowest level for eight months against the world's major currencies on foreign exchange yesterday. Its effective devaluation (from December 1971) worsened to 18.9 per cent from Wednesday's 18.8, and remained there until the close. It was last that weak on February 5.

Discount market

Day-to-day credit was in very short supply for much of yesterday's session and the Bank of England was eventually required to assist the market on a large scale. The Bank purchased Treasury bills and corporation bills directly from the houses in need.

COMPANY MEETING EAST ASIATIC RUBBER ESTATES

At the Annual General Meeting of East Asiatic Rubber Estates Limited, held on October 15th in London, the Chairman, Mr. N. E. Blenner, made the following additional remarks: "I cannot deny that I am a little bit sorry to see this Company being moved out to the Far East..."

Mining

Algomo merger

holders in Brinco have resting investment decisions. The question whether they should in offer of \$8.27 a share comprising the \$7.07 by the company to buy

in its own shares and a tax-free \$1.20 cash dividend, or else accept a cash dividend and an equity participation in the 51 per cent-owned Canadian subsidiary, Rio Algom Mines. The catch is that the Rio Algom price has fallen in recent weeks and accepting shareholders would see a capital loss if they took the second choice. On the present Rio Algom price and assuming a maximum of three shares to be exchanged for every 10 Brinco, a loss of 17c for each Brinco share would be seen. But any investment decision should be delayed until full details of the proposed merger are published.

Bougainville output

Production of copper concentrates at Bougainville Copper in the September quarter amounted to 157,536 tonnes, compared with 160,187 in the preceding three months and 168,917 tonnes in the September quarter of 1973. The shares rose 4p to 82p.

Latest dividends

Table listing dividends for various companies including Anglo American, ICI, and others.

The Times Share Indices

Table showing share indices for various markets including London, New York, and others.

Commodities

LEAD. A sharp advance in the gold price... SILVER soars as gold gains \$6.50. A sharp advance in the gold price... SILVER soars as gold gains \$6.50.

Spot Position of Sterling

Table showing spot position of sterling, including market rates and forward levels.

Forward Levels

Table showing forward levels for various currencies and commodities.

Money Market Rates

Table showing money market rates for various financial instruments.

INTERIM STATEMENT GREEFF-CHEMICALS HOLDINGS LIMITED

Interim Statement table for Greff-Chemicals Holdings Limited, showing turnover, income, and dividends for 1974, 1973, and 1972.

Briefly

INV. For year to October 5 net profit after tax £23,000 (£23,000). Dividend 1.95p (1.87p). AB ELECTRONIC. For year to October 5 net profit after tax £23,000 (£23,000). Dividend 1.95p (1.87p).

373 zinc problems highlighted

The severe problems of zinc supplies during 1973 are highlighted by the new world production figures for unwrought zinc published by the World Bureau of Metal Statistics. The zinc content of concentrates produced at 3.8 million tonnes was 3 per cent above the previous year and international trade at 2.2 million tonnes showed only a marginal increase over 1972.

Why the copper price has dropped

General Jorge Fernandez Maldonado, the Peruvian Mines and Energy Minister, said in Lima that the strengthening of the Inter-Governmental Committee of Copper Exporting Countries (CICOP) was fundamental if world copper prices were to be defended. Peru backed Zambia for an enlargement of the group.

Call for IMF funding of tin buffer stock

Kuala Lumpur, Oct. 24.—Tun Abdul Razak, the Malaysian Prime Minister, said the International Monetary Fund (IMF) should consider financing the International Tin Buffer Stock to help stabilize the tin price.

Peru cuts zinc price

Peru has cut its zinc selling price by 31 cents to 41.5c per lb, the same company, Minera Peru announced in Lima.—Reuter.

US soybean stocks

Washington, Oct. 23.—Stocks of soybeans held by United States officials on September 30 amounted to 22,766,000 bushels, down from 22,966,000 bushels a month earlier, but up from the 13,543,333 bushels held at the end of September last year, according to Census Bureau figures released today.—Reuter.

Estates & General

In the first half to June 30 taxable profits of Estates & General Investments were more than halved from £239,000 to £123,000 and after deducting £120,000 and after deducting the sale of Basil Trust of £110,000 the net balance works out to £7,000 (£96,000). The interim dividend is 1.04p against 1p.

Recent Issues

Table listing recent issues of various companies and their prices.

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MARKET REPORTS

Authorized Units, Insurance & Offshore Funds

Table with multiple columns listing various financial units, insurance policies, and offshore funds, including names like 'The National Investment Trust' and 'The British Overseas Airways Corporation'.

Chrysler chief says President's plea helped to worsen car slump

Detroit, Oct. 24.—America's slump in new car sales is being worsened, says Chrysler chief, as far as the car industry is concerned, he said, the Administration "should be directing its efforts to the stimulation of purchases, not the discouragement of them."

Lay-offs by wood-based industries in Philippines

Manila, Oct. 24.—Worldwide recession and inflation have forced wood-based industries in the Philippines to lay off about 14,000 workers from the end of September, an official said.

Tokyo 'clarifies' yen policy statement by Finance Minister

Tokyo, Oct. 24.—Mr. Taroichi Yoshida, Deputy Minister of Finance, said today that the ministry and Bank of Japan were not attempting to maintain the value of the yen at any particular level in the Tokyo foreign exchange market.

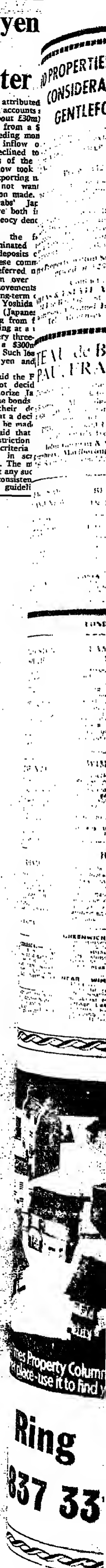
Bangladesh to benefit from Japanese textiles

Tokyo, Oct. 24.—Japan is considering sending surplus textile stocks to developing countries as economic aids, official sources said today.

The Times Awards for the best advertisement of a company's results to appear in 1974

It is now generally agreed by all progressive companies that there is a continuing need for a programme of clear and effective communication between the company and the investing public.

Conditions of Entry: All entries are free but must have appeared in the pages of The Times Business News during 1974. The following are the categories in which awards will be made:



Overseas Property

TWO PROPERTIES WORTHY OF CONSIDERATION BY GENTLEFOLK:-

(1) One of the oldest houses in Guernsey, built in Elizabethan times, since extended and modernised, needs some attention, large mature gardens plus a field of 2 Acres.

Price: £125,000

Many other properties available for non local purchasers from £50,000

(2) A magnificent stone built house set in 10 acres of land with lawns, trees, and orchard and mature shrub gardens. This extremely well appointed house has a 16th century cottage completely renovated and modernised, to take either guests or staff.

This Property within St. Peter Port is priced at £250,000

Contact: VILLAS & ESTATE AGENCY LTD. 14 The Barge, St. Peter Port Guernsey, Channel Islands, U.K. Tel.: Guernsey 25328.

MAJORCA NO PREMIUM £1,050 MINORCA VILLA PLOTS FROM £1,600 APPTS. FROM £3,300 MELPOND INTERCONTINENTAL

Villas—Costa Blanca Many exclusive ready-made villas nr. Javea from £10,000. Also new development at Oliva near Gandia from £5,600.

CHATEAU de BALAGUE, PAU, FRANCE Glorious views of the Pyrenees. Pau 18 kms. Reception Rooms, 7 Main Bedrooms, 4 Bathrooms. Subbling. Garage. 20 Acres gardens, woodland and meadows.

THE TWO FACES OF SPAIN, OLD AND NEW COSTA BLANCA. Villas from £5,000. We offer a wide selection of properties in the Costa Blanca area.

LONDON AND SUBURBAN DORSET COAST, SUSSEX—Attractive detached house in quiet area with separate granny flat, 2 reception rooms, kitchen, 3 bedrooms, bath room.

WIMPOLE ST. (NR.) Superb new house and garage for sale; 2 bedrooms, 2 bathrooms, fitted kitchen, double living, etc.

HAYWARDS HEATH Furnished flat, 2 double beds, kitchen/dining + sitting room, 1 mile station, 40 minutes to London.

COTSWOLD COTTAGE, Oxford 10 miles. 2 beds, 2 recep., c.h., garden, garage, etc.

HARPENDEN, HERTS.—Modern 3 bed, 2 bath, 2 recep., c.h., garden, garage, etc.

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Investment in Iran

a Special Report

New riches change a country's face

by Denise Taylor

Iran is the most fiercely competitive and potentially one of the most rewarding countries for foreign investment in the world today. The race is on to turn what was a bankrupt, essentially feudal society into an industrial power capable of holding its own with West Germany and Japan.

Nowhere else do the statistics so quickly become out of date as the present boom as an internationally unprecedented rate. Estimates of the per capita gross national product for 1974 range from \$850 to \$1,000, but even the more cautious figure represents a doubling in two years.

At the opening of Parliament this month, the Shah said that the Iranian growth rate had reached 33 per cent this year and was expected to exceed 40 per cent at constant prices in 1975.

This dramatic rise is, however, essentially Iranian monetary power posted by the fourfold increase in oil revenues at the turn of the year. The new oil pricing system has allowed for the present boom. The five-year plan (1973-78) to be almost doubled to \$68,600m (£2,700m). The national income from oil revenues is expected by the Shah to be \$300m this year alone, and it is predicted that by the end of the plan the figure will be at least \$102,000m.

With such financial assets in prospect—and even if recent speculation about the United States about a possible slight reduction in oil prices turned out to be true—no one at Iran's disposal would still be enormous—it is easy to see why the country's main priorities are in the investment of foreign technology followed by management skills.

Money comes a poor third in the investment stakes. Technology and management are the essential features of the joint venture between Iranian and British or other foreign interests are considered in Tehran.

The Iranian financial strength is so great that it has embarked on a three-tier programme of overseas loans. Hushang Ansary, minister for Economic and Social Affairs, told the

International Monetary Fund meeting in Washington earlier this month that the aid to which Iran was so far committed amounted to \$7,700m. He indicated that foreign assistance could amount for nearly 6 per cent of g.n.p. in the next four years, an objective far more ambitious than any nation in the industrialized world.

Commercial standards are applied to loans like the \$1,200m made available to the United Kingdom earlier this year, and the similar amount negotiated with France. Soft loans have been granted to several African and Asian states, including India, Egypt, Morocco and Senegal. In these bilateral arrangements are in addition to Iranian loans to the IMF and the World Bank.

The original fifth plan envisaged overseas borrowing to the extent of \$8,243m, either in loans or credit arrangements. More than half of this sum would have been used up to pay back earlier borrowing and meet consuming interest charges.

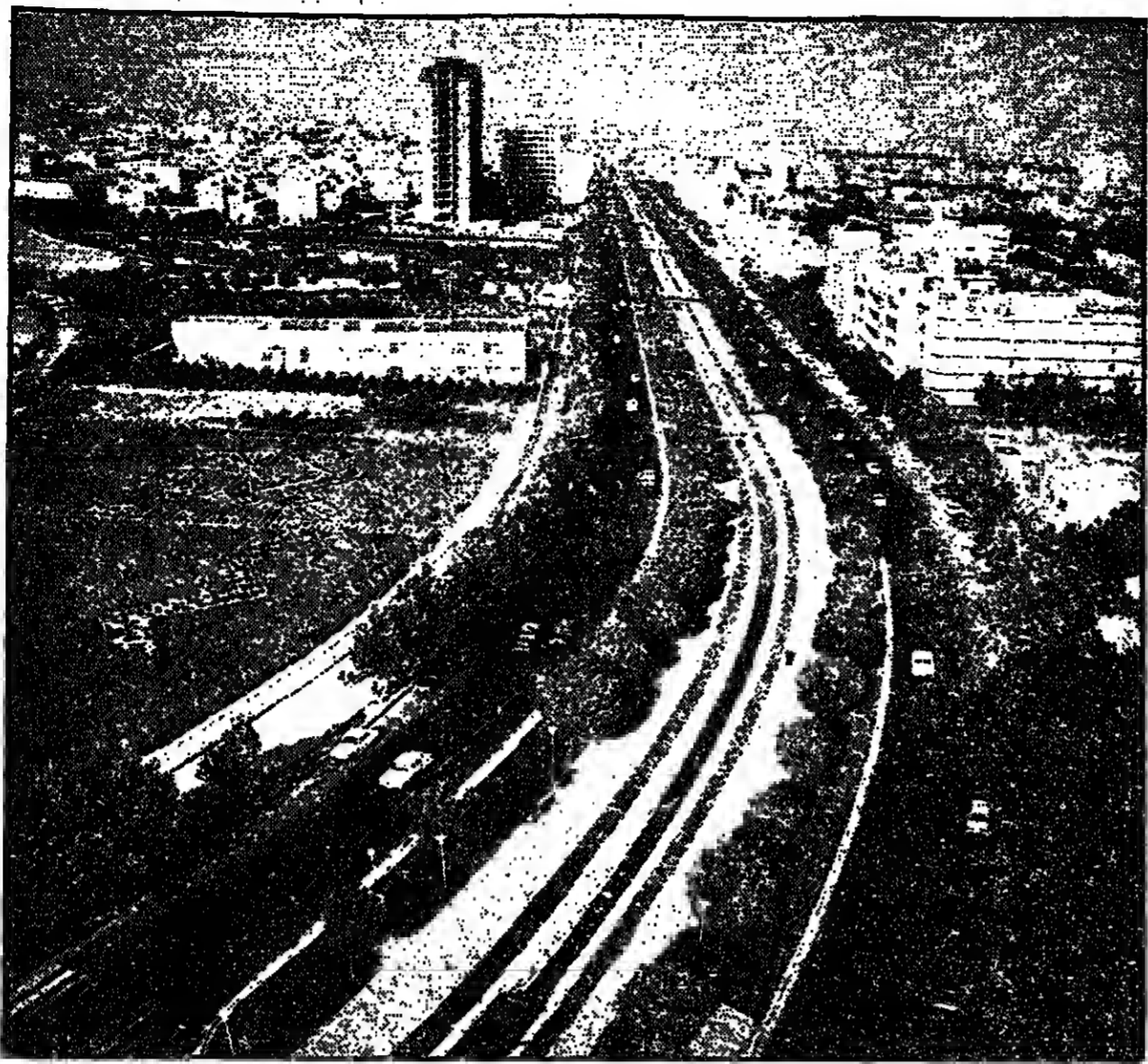
But last year Iranian oil revenues rose by almost half, and the decision by the Organization of Petroleum Exporting Countries last December to quadruple oil prices eliminated further need for foreign borrowing.

Six months ago Iran's two principal credit banks were told to apply to the Government for any future loans instead of borrowing abroad. The authorities also adopted a retrospective approach by promoting repayment, ahead of schedule of what in changed circumstances were seen as unfavourable foreign loans.

The Iranians insist that they are leading the world in recycling funds, injecting money into the economies of western countries, the co-operation of which is needed if Iran is to build itself into an industrialized state, as well as aiding the development of the less privileged Third World.

There is no shortage of sensitivity in Tehran about what is seen there as a propaganda campaign in the western world, seeking to lay the blame for rocketing inflation on the oil producers.

In the Persian capital, the argument is that increased oil prices have not been responsible for more than 11 per cent of the inflation in



Teheran—capital and focal point of a nation bidding to become a major power. Left: Queen Elizabeth II Boulevard and the new Farah Park. Right: the traditional carpet bazaar, untouched by changing times.

any industrial economy, and that in some cases, the weighting given to this factor should not be more than 1 per cent. It is claimed that these percentages take into account production costs triggered by higher energy prices and that the commitment to recycling is proof enough of Iran's monetary good faith.

The oil question has intricate economic, ethnic and cultural as well as economic and political. From the western viewpoint, there seems to be a clear pattern linking the Yom Kippur War, the Arab oil boycott and the steep rise in oil prices agreed at the Opec conference in Teheran just before

Christmas.

But the Iranians refute any suggestion that they now enjoy higher revenues purely as a consequence of the fighting 12 months ago between Israel and her Arab neighbours.

The word "Iran" means Aryan. Aryan are highly conscious of speaking a language which, in spite of a massive influx of vocabulary from the Arabs who ruled them for three centuries, is basically Indo-European and a distant relative of Greek, Latin, German and English.

Persians are always irritated by careless western references to them as part of the Arab world, and particularly by what they see as Ameri-

can and European obtuseness in equating Iran's motives with those of the Arabs.

It is emphasized that even the way Iran and the Arab producers use their oil revenues is different. The goals set by the planners, particularly the improvement of agriculture, rural incomes and welfare services throughout the country are ambitious and intended to ensure that Iran cannot greatly aggravate the surplus liquidity crisis.

After the earlier, nominal oil nationalization of 1951, the Shah last year introduced a policy of ownership which allowed Iran, and not the American, British, French and Dutch companies in the consortium, to set the price of oil effectively for the first time in the state's history.

In turn, the consortium was reassured of a supply of Iranian oil until 1993. The oil companies have no such guarantee of supplies from any other state in the Middle East.

The road was clearly signposted before the October war. Iran, suffering like other developing countries from enormous increases in the costs of imported commodities, was going to demand what it saw as a fair price for its own energy resources. The Shah has suggested, for example during his tour this autumn of Asia and the Pacific, that oil should be indexed to other specified commodities.

This tour underlined Iran's ambition to become a major power in the entire region stretching from Central Asia right across the Indian Ocean. The Indian Ocean common market advocated by the Shah would be a defence, as well as an economic grouping embracing Australia, Indonesia and India. The Shah, leader of a nation whose military capability guarantees its predominance in its own immediate region, would like nuclear weapons taken out of the Middle East, and Soviet and American submarines simultaneously withdrawn from the Indian Ocean.

On the surface, the United States and Iran have had their differences in the confrontation between oil consumers and producers. But both have probably too much in common to let such episodes seriously affect their cooperation. Iran, after all, has the Soviet Union next door, and in spite of going to different states for their technology, including Japan, Germany, France, Britain and Italy, there is no sign that Teheran is failing to appreciate the merits of close contact with the biggest industrial power.

Meanwhile, Iran continues to do business with her Soviet neighbour. The Russians built Iran's first integrated

Britain and Iran have a special relationship which has become even closer as a result of the changing oil scene. Part of the foundation for this relationship was laid more than four years ago by the Confederation of British Industry. This activity led to an unprecedented top-level conference on investment opportunities held in Persopolis last November. It was attended by 70 British businessmen led by Lord Thorneycroft, who discussed various aspects of investment with many of their Iranian counterparts.

A summary of the proceedings of the conference has been edited by Michael Frenchman of The Times, and has been published jointly by the CBI and The Times as a book. It is available, price £15, from the CBI Printing and Publications Department, 21 Totten Street, London, SW1H 9LP.

steel mill at Isfahan. It is predicted that by the end of 1973 exports of natural gas to the Soviet Union will be worth \$1,000m.

Anglo-Iran diplomatic relations are good, a state of affairs fostered by British withdrawal from the Persian Gulf in 1971. But Iran, by which one really means the Shah, seems to be on friendly terms with almost everyone, with the Soviet Union and China, with India and Pakistan, with most of the Arab world, and, more discreetly, with Israel. The one obvious exception to this generalization is Iraq, on Iran's western flank.

The slightly controlled Iranian press encourages sympathy

for the Kurds in their defiance of the Baghdad regime, and the Iranian Government looks after the Kurdish refugees who cross into Iran. If it ever came to a straight fight with Iraq, Iran's chances would look slim.

In spite of the limited situation on the border with Iraq, the overall situation in Iran, a country three times the size of France, is as secure and stable as an investor is likely to find outside the western world and Japan.

Secret police surveillance and censorship have left no scope for public dissent, and the Shah has expressed the view that mass literacy is a prerequisite of democracy. Major efforts are being made

in free education to reach half of the population still unable to read and write. But it has, however, been in the lack of a fully educated population, and an Islamic conservatism found both in the old guard of the influential families as well as among the peasantry, may prove the strongest obstacles to Iran becoming the Japan of western Asia.

The Shah, his long serving and energetic Prime Minister, Mr Hoveyda, and the highly able technocrats in the Administration can justifiably point with pride to the immense economic and social progress achieved during the past decade. But they are engaged in a race against time.

The commitment to raising living standards is genuine. It has, however, been in the background of differences in wealth still great enough to be potentially explosive, and the industrialization to create a balanced society must be pushed through while Iran still holds such high cards in the energy game.

But it is precisely because the Shah has this vigorous commitment to modernization, now underwritten by vast financial resources, that so many of the most ambitious business leaders in three continents are now paying such serious attention to Teheran.

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A Statement by Arya National Shipping Lines

IRAN'S FLOATING BABY

The story of Arya National Shipping Lines is very much a case of metamorphosis—something not alien to the affairs of present and modern Iran.

In just over a period of three years, a shipping line with a modest image is managing to float along a sailing course that accepts no boundaries. A tiny fleet is now a fleet of reasonable size, a small carrying tonnage is now far above a million, and an initial capital of 250 million rials is now one billion and three hundred thousand million rials.

Arya National Shipping Lines is today responsible for taking 90 per cent of Iran's non-oil export trade to the outside world, and is playing an increasingly bigger part in bringing to the country the goods that it needs.

A success story of such nature, of course, is presumed rightly to have strong backing and support. Arya received the best.

His Imperial Majesty Shahanshah Aryamehr, realizing too well the importance of a strong merchant navy to the continued economic, political and social growth of the country, directed the creation of the company, giving it unreserved support. In an address in 1966, His Imperial Majesty brought to a productive conclusion the long-standing debate concerning a national shipping line that had stretched for over a decade by announcing that "shipping, like steel mills, is part of our national policy".

In fact the need for a merchant navy was felt far later in Iran than had been in many other nations. The sudden acceleration of the development programmes of the country, the expansion of Iran's foreign trade, the increasing volume of imports of machinery and technical equipment for the industrialization of the country and in general the transformation of Iran as a result of the White Revolution, were just some of the elements that focused attention on the need for a national shipping line.

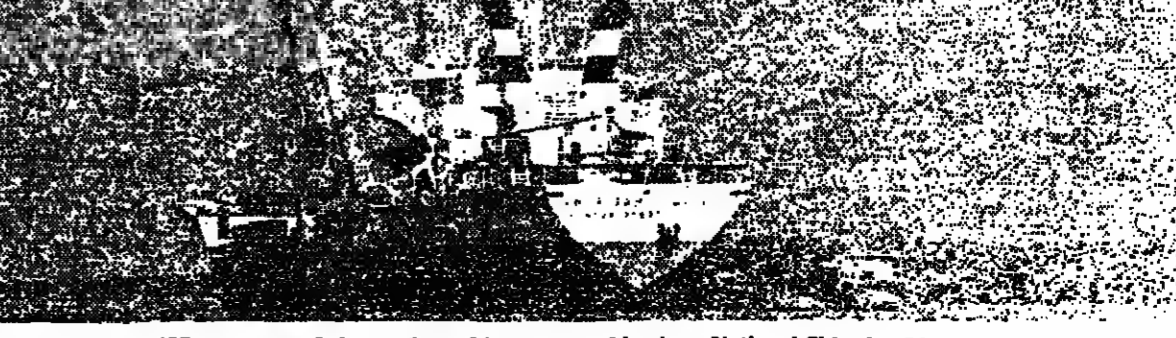
If it were not for the blessings that have been increasingly bestowed on Iran through the enlightened leadership of His Imperial Majesty, maybe Iran would still be ignoring marine navigation as a vital mode of transportation—a tendency that finds its roots in the geographical characteristics and trade patterns of ancient Persia.

THE BIRTH
Arya's history actually began in 1967 when the government and the private sector joined forces to launch Iran's floating baby. The capital for this now fully-subscribed company was provided by Bank Mellat, the Industrial and Mining Development Bank of Iran, the Industrial Credit Bank, the Iran Insurance Company and by a number of the country's leading industrial groups. There was at the time only "Razi" and "Bon-e Sina"—two small merchant ships of 983 and 1536 tonnage, respectively—carrying the flag. They had no choice but to limit their activities to the Persian Gulf area, awaiting the arrivals of new mates at sea, which enabled Arya to operate services to Europe by 1970.

However, it was from 1971 that the actual activity propelling Arya began. The number of ships sailing under the Arya flag multiplied from a meagre four to 21 in operation today. Another five sophisticated vessels under construction at present in Poland will join their sisters at sea within a couple of months. The Arya fleet is well equipped and modern. The ships are fast manoeuvring, most of them with speeds of up to 21 knots and cargo lifting capacity of 200 tons. With the exception of three steam turbine vessels, the remainder of the fleet is propelled by diesel engines designed mostly by "Sulzer" of Switzerland and "B & W" of Copenhagen. Within these three years the services operated by Arya have also undergone great expansion, covering America, Japan and Europe, thus giving it access to the major international shipping routes. The company right now operates the following services:

- | | |
|---|---|
| Gulf Inner Beltline Service | Persian Gulf — Red Sea |
| Persian Gulf — Continental Europe (North Continent) | Persian Gulf — United Kingdom |
| Persian Gulf — Japan and Far East | Persian Gulf — US East Coast and the Gulf of Mexico |
| Persian Gulf — Mediterranean | |
- CONFERENCES**
Shipping lines, as one expects, provide regular and frequent services between different parts of the world for the carriage of every conceivable kind of cargo in consignments large and small. They do this, however, at previously advertised fixed charges, through the liner "conference system"—Arya being a member of five conferences—which first began to be practised in the United Kingdom-Calcutta trade back in 1875. The object of the conference system is in fact to regulate uneconomic competition. The shipping companies of different ownership and nationality that operate services between the same range of ports form a conference agreement to regulate the freight rates that they will charge for each type of goods carried. In some cases the conference allocates a specified number of sailings to each company and in all cases the conference gives the shipping lines the protection they are entitled to against the casual ship that can pick up cargo anywhere at cut rates.
- The conference system also allocates cargoes to shipping lines and plays a very important role in keeping regular shippers of goods loyal to conference vessels. One means the conference system employs is in offering regular shippers of goods a deferred rebate system by which such people receive a rebate of a percentage of the tariff freight rate provided they use conference vessels exclusively.
- The conferences that Arya has joined are:
- (1) The Associated Continental Middle East Lines, "ACMEL", which is one of the conferences that determines the number of sailings each company can undertake;
 - (2) The Mediterranean Middle East Conference, "Medmeco";
 - (3) The Japan Conference, "Jappancon";
 - (4) The RCD Conference;
 - (5) The Japan/India-Pakistan-Gulf/Japan Conference.

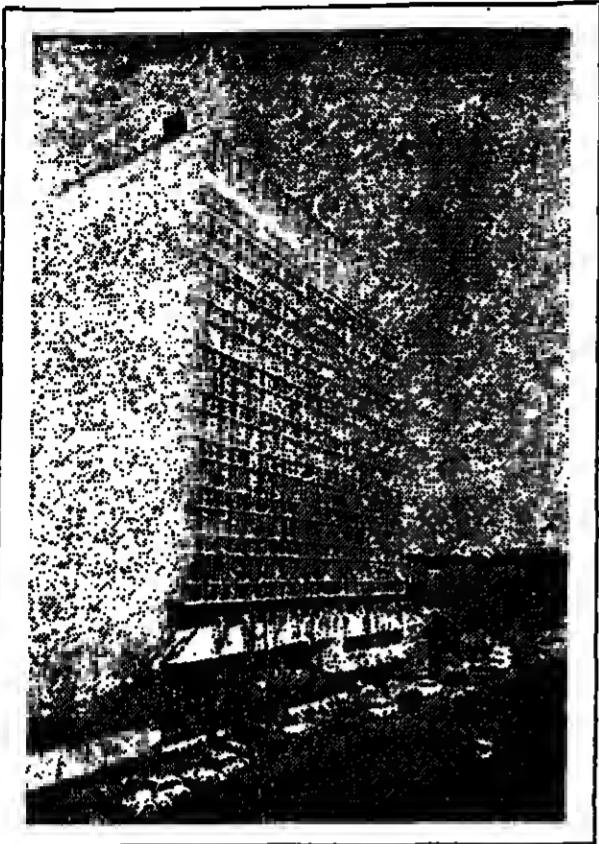
Arya's sailings allocated by "ACMEL" enables it to have an annual 35 sailings to Europe, 24 sailings to America and 24 to Japan. This means that so Arya ship can sail to Europe three times a month and to Japan and America twice monthly. Once Arya feels the need to increase its sailings, it can ask the conference to revise its allocations at any time.



M.v Arya Tab, 17,135 tons, one of the modern ships operated by Arya National Shipping Lines. Continues on page 2

ESS taxi

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Few appreciate extent of nation's transformation

by Hassan Shaida
editor, *Iran Trade and Industry*

"There is no glory in reigning over a nation of poor and hungry subjects."
"We have willingly helped other countries to an extent unprecedented in the history of foreign aid... It is a source of pleasure for us to have been able under these difficult international economic conditions to be useful through such cooperation to our neighbouring and other brothers, even in the most advanced countries of Europe..."
Both these statements were made by Shah Mohammad Reza Pahlavi of Iran, the first during the early 1950s and the second early this month. The story of how Iran has been transformed from a poor, backward and disease-ridden country to one whose economic growth has been setting world records and

whose voice commands increasing attention and respect throughout the world would sound incredible if it were not true. Most of the changes have come since January 26, 1979, the launching of the Shah-people revolution.
Few people, even among young Iranians, appreciate the extent and scope of the changes, mainly because most of them have now come to take them for granted. Figures and statistics tend to be dry and meaningless to the layman who lives everyday at a human and personal level. Every summer weekend a continuous stream of cars takes hundreds of thousands of Tehranis to the Caspian Sea resorts and lush forests. The motorways become congested that they are made into one-way roads. A newly-married English girl who arrived in Tehran less than 20 years ago wept during her first week because she could not get decent milk or biscuits. To

day there are numerous brands of Iranian and foreign biscuits and all varieties of milk are sold in markets that are equal to any found in the West. Twenty years ago five out of every eight Iranian babies died before reaching one year. Iran now has one of the highest population growth rates in the world. There is no sign of malaria which afflicted some 90 per cent of the population in the Caspian area and little of the craticisms that blinded almost half the population of Dezfoul.
None of this has come easily. Situated in an economically important and politically strategic area, between the Soviet Union to the north and the oil-rich Persian Gulf to the south, Iran has been the scene of big power rivalry. Each had developed its network of agents and supporters who did not hesitate to subvert for their own ends.

Prime ministers changed on average every six months and their governments could not plan more budgets for longer than a month. The obvious prerequisite was political stability, and yet there could be no lasting political stability without socio-economic improvement.
The Shah-people revolution provided a stable base for the changes. The political stability is underpinned by the fact that Iran has had the same prime minister, president of the Senate and speaker of the Majlis (National Assembly) for the past 10 years.

The social revolution gave women the franchise. A new family protection law made it illegal for husbands to marry a second wife without the free consent of their first wife upheld by a court of law. No divorce was legal until approved by a court which always tries to bring about a reconciliation.
Women can now approach the court for divorce, too. Women have been given more opportunity to attain public office. They have risen to Cabinet rank, local and municipal councils, and other elected posts and hold many seats in the upper and lower houses of the national Parliament.

The symbolic unveiling of the Iranian woman before the Second World War had remained just that. Women were still barred, together with certified lunatics and criminals, from exercising their civil rights, such as electing or being elected to various bodies.
The educated marriage and family laws offered women no protection. Wives were often divorced by husbands without their knowledge. There was nothing a wife could do if her husband chose to marry as many wives as he liked.
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Britons alive to opportunities

by Denis Taylor

The British investment stake in Iran has increased dramatically in the past year. This is one market where Britons are showing signs of waking up to the opportunities. In terms of investment, for example, the British are ahead of the West Germans, Iran's main trading partner.
Iran's relations with Britain have greatly improved since the military withdrawal from the Persian Gulf three years ago, but until recently Tehran was not over-impressed by British business outside the oil industry.

Iranians believed that the Americans, the Japanese and the Europeans were doing their homework; the Germans, in particular, made a point of learning Persian and had the reputation of being prepared to spend plenty of time getting to know Iran and the Iranian character.
The British, however, seemed slow to associate the country with anything but oil and carpets. In the late 1960s the Iranians detected a slowing down in earlier British interest and ascribed this to the United Kingdom's own economic difficulties.
Until quite recently, British investment in Iran sided with the oil industry, amounting to about £7m. The Irano-British Joint Minis-

terial Commission for Trade and Economic Development held its first session in Tehran in 1972. Then 18 months later—in November 1973—the British government gathered together business and industrial leaders from Britain and prominent Iranians, and the announcement of agreement or negotiation of 17 joint ventures totalling £250m.
Allowing for 40 per cent foreign participation, this would mean a £100m British commitment. Another 50 or 60 joint ventures have since been discussed with British firms.
It would be unfair to suggest that all British companies were slow at exploiting opportunities in the non-oil sector. An established form of British enterprise which the visitor to Tehran cannot help noticing as he sits in the train is the sight of the stationary British Leyland buses and the popular local version of the Hillman Hunter.

But Persepolis will still be regarded as the turning point when British eyes were opened to the opportunities. Simultaneously, the British and Iranians got together at the right time. A month later came the quadrupling of oil prices which allowed the Shah to contemplate even more expensive projects.
This still leaves a credibility problem. Some of the economic and social objectives now being set by Iran seem excessively inflated to British businessmen. Apart from deciding to have three \$1,000m oil refineries, each with an integrated petrochemical plant costing a similar amount, beside it, the Iranian have such apparently grandiose schemes as the building of 800,000 homes by 1978. Vast sums are to be spent on communications, including railway electrification.
The Persian answer is to point to what has been done since 1953. They now have much more money and the chief problem from their point of view is lack of the technology which the West and Japan can supply.

Land reform was chosen as the keynote of the Shah-people revolution and was carried out in three gradual phases. There are no big landowners now in Iran. Peasants who were given plots of land have been encouraged to join village cooperatives or larger farm corporations, using their land as their equity share to operate as large and economically viable farms with modern mechanization methods. The big landowners were paid a fair price for their land and were urged to invest their money in industry.
Helped with generous government financial help and tax concessions, some of the industry were assured of quick and handsome profits. Industrialization began to gather momentum, spreading light consumer industries to co-summer durables, medium and even heavy industries. The Government, though, was careful to ensure that feudal landowners did not lose jobs while industrialization was exploited by the nation.

Having legislated and enforced progressive labour laws, further incentives were given to workers in the form of shares in the net profit of their respective factories, based on collective agreements for productivity and efficiency. Later, as industrialists grew richer and more powerful, they were required to share ownership of their companies by selling shares (up to 49 per cent) to the public with first option going to their own employees. Staff and workers of many large companies now own shares in their company.
No broad economic development would have been possible while half the country's population, its women, was deprived of its rights and opportunities.
The symbolic unveiling of the Iranian woman before the Second World War had remained just that. Women were still barred, together with certified lunatics and criminals, from exercising their civil rights, such as electing or being elected to various bodies.

in great demand in private and public companies. The often receive basic salaries almost equal to their bosses.
The politico-social infrastructure, helped by the country's independence foreign policy, created conditions that made it possible for the economy to grow above and beyond the plan. The country was officially planned for 52. During the past 12 years, proclaimed by the United Nations as the development decade, Iran was one of the few countries which attained a rate also exceeded the 5 per cent annual growth chosen as target by the United Nations while most other failed to meet that target.
Memories in many countries have been proved wrong in their estimates of growth, but in Iran the mistakes have been grossly in that they have consistently underestimated the country's growth capacity. The annual GDP growth rates have happily always exceeded the target figure. For instance, the four five-year development plans projected the number of university students to rise 100,000. This figure was exceeded during the second year of the plan.
Iran, like all other countries, has had its share of problems. Its agricultural production, for instance, has lagged behind partly because of element weather and partly because of its antiquated farming methods which take time to modernize. Educational standards have risen to a level that is desired because no system can produce trained teachers overnight.
In medical services, oversaturation because many of the doctors trained inside and outside the country have been lured to the United States for higher salaries. The administration has not been all that efficient and housing has been short, mainly because of restrictive laws and regulations which are rapidly overhauled and modernized. But these are the normal ceiling problems of any rapidly advancing nation.

A statement by Aryo National Shipping Lines... continued from Page 1.

PERSONNEL
Expansion of the fleet, of course, entails the expansion of an important department to a shipping company—the Personnel Department. In the case of Aryo, the personnel section has had a great deal to tackle. It started its proper activities at the same time as the company started its growth period in 1971. Up to that period affairs relating to the personnel of the Aryo vessels were under the care of a foreign group.
Aryo took over the management of the personnel department and embarked upon a course headed towards complete independence. Aryo's aim is to reach a state where Iranians will manage to take over the full operation of the vessels—a goal that may be attained within a period of no more than 10 years.
When, in 1971, the policies of the personnel department were clarified, the number of foreign staff on the Aryo payroll was 60 per cent of the total staff. Today, after three years, Iranians make up 65 per cent of the staff, while only 35 per cent is comprised of people of other nationalities. In numbers, there are right now 570 Iranians and 223 foreign officers on 22 Aryo ships in operation.
Because of the demonstrated success of the personnel department of Aryo, the shipping line is to a relatively good position concerning recruitment of the staff required. It has been offering good pay and fringe benefits and as a result has been getting first-class staff for its vessels.
To realize the extent of cooperation within Aryo which has given it vitality and drive, it helps to know that today Aryo has 32 qualified deck officers out on its vessels. These officers are in fact the result of the programme of Aryo's training department, which is looking to the future with great alertness and seriousness.

TRAINING
Realizing the future need for technical expertise in running the ships and given the policy of the company to have its vessels fully operated by Iranians, Aryo embarked upon a vast training programme that is to cost the company a grand two billion rials.
The aim is clear. Aryo is going to train enough Iranian officers, engineers, technicians and crew to completely man its fleet. For that a period of 10 years has been mentioned. More specific and nearer in the future is the programme of training 1,000 engineers, technicians and 1,500 ratings by the end of the current Fifth National Development Plan, which has entered its second year.
There are two training programmes run by Aryo. The first is a short theoretical and practical course organized inside the country for the training of ratings and technicians. In recruiting for the programme priority is given to young men from the south of the country. In other words the coastal areas, because of the evident familiarity of coastal inhabitants with the sea and their general love for maritime activity. The second is a programme under which Iranians are trained as officers and engineers abroad.
At present five groups, consisting of 20 each, are in England and Belgium. They started with a one-year language course at home, going on to England or Belgium for two six-month college courses and two one-year sea-going training. As third officers they will serve on Aryo ships for a further period of one year before graduating. Training of engineers or engine officers follows similar patterns with the starting position on the vessel being the third engineer. For radio officers, the training is shorter and takes a period of two-and-a-half years.
The number of Iranians undergoing such training is to increase to 300 within 1974 and to even greater numbers to the next few years.
Aryo, as one can clearly assume, has not, and no doubt will not, set limitations on the amount of money it will spend on acquiring the staff, both floating and administrative, it requires for its continued growth.

EXPANSION
Acquisition of more vessels is of course taken for granted with Aryo. The eventual size of the fleet will be a matter of guesswork, though expansion to 60 vessels and perhaps even more seems almost a certainty over the next four years.
If Aryo does what is expected of it, then it will gain a position of real distinction among the merchant marines of the world. Not that it already does not today. Even though still in its infancy, statistics verify that Aryo is among the top up-coming merchant marines of the world, some of which have a century or more of existence and experience behind them.
Among Aryo's expansion plans are the acquisition of 50 barges and 10 bulk-carrier vessels—a new field to be entered into by Aryo on the international level. It is presently active in bulk-carrier transportation in the Persian Gulf area through the services of the other existing shipping company in Iran, the South Shipping Line, which Aryo purchased and took under its control recently.
Another field Aryo is considering is the "container system" shipment, under which general cargo can be transported in containers of any size ranging from 20 to 40 tons. The fact that containers are far easier to load and unload adds to the feasibility and attractiveness of this service.
And still there are other expansion possibilities. Aryo could go into "third-party" cargo transportation. It could acquire supply vessels or go for the less sophisticated cadet training ship.

COMMUNICATIONS
To maintain a well organized fleet that offers the best service, Aryo is not neglecting to draw up plans for the provision of a good communication system. Two possibilities are being studied. One is to join a satellite communication system to be created in 1975, under which each member shipping line will be provided with world coverage enabling it to have a full control of its vessels wherever they may be.
The other is the "short-side-band" system through which the shipping line can again maintain full control of its vessels through a radio system that provides direct link.
To manage this expansion Aryo plans to create additional branches abroad. At present it has four branches in London, New York, Tokyo and Kuwait. General Agents representing Aryo can be found anywhere from the Persian Gulf to the Red Sea, East Africa, Japan, Far East, the United States, northern ports of Europe and England.

COOPERATION
However, whatever course Aryo takes in the future, it will have to go hand in hand with activities undertaken here in the country by Iran's Port Authorities. It is natural that with additions to the national merchant fleet, the ports and their facilities will have to expand. Additionally, to create the necessary communications, that is roads connecting the ports to the consumer areas, great efforts must be made. Loading and unloading facilities have to be increasingly improved in order to allow for the most efficient utilization of the ships.
Fortunately, all evidence points in a close cooperation between Aryo and the Port Authorities, since we have now had a period of three years that has left a sweet smell of success in its trail.
The financial results of the past three years also confirm the success which has been attained by Aryo National Shipping Lines as an integrated business venture. From operating at a loss, Aryo has shown a profit of 130 million rials over this period. The upward trend of the net profit in this period is in fact not only interesting but also very explicit. In the 1971-72 financial year, the profit was 27 million rials. In the 1972-73 year, however, the profit increased to 103 million rials. This year's profit is another's guess.

THE SHIPPING LINE
It may be relevant to note here that when the ship, in its primitive form, emerged in the remote past, the sea, up to then a barrier to intercourse between societies, became a highway across which men travelled for the exchange of goods and ideas. Ideas today travel very fast and by means inconceivable even to the peoples of the past century. But what about the goods?
Goods, today comprising everything conceivable, and in constantly increasing quantity have to cross the seas and oceans. They are essential to the livelihood and in some cases the existence of peoples everywhere. What does this mean for a ship and in a larger context the shipping line?
The answer to fact guarantees the future of the shipping line, for the ship is a vital instrument of world trade and an essential service to commerce.
For Iran, a nation rapidly climbing the ladders of industrialization, Aryo National Shipping Line is perhaps even more than that.

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A less taxing situation for foreign firms

by a Special Correspondent
Good investors are as well come in Iran as they ever were, though the emphasis is no longer on capital. What the country needs most is modern technology and advanced management for its industry, mining and agriculture.

It is easy for Iran to buy them both, but experience has shown that hired foreign advisers or managers do not always turn out to be the best or the most efficient. To ensure the success of a project the best way is to financially involve the other side, one senior government official said in Teheran recently. "This means some capital investment by the foreign partner, just enough to concern him about a good return on his money."

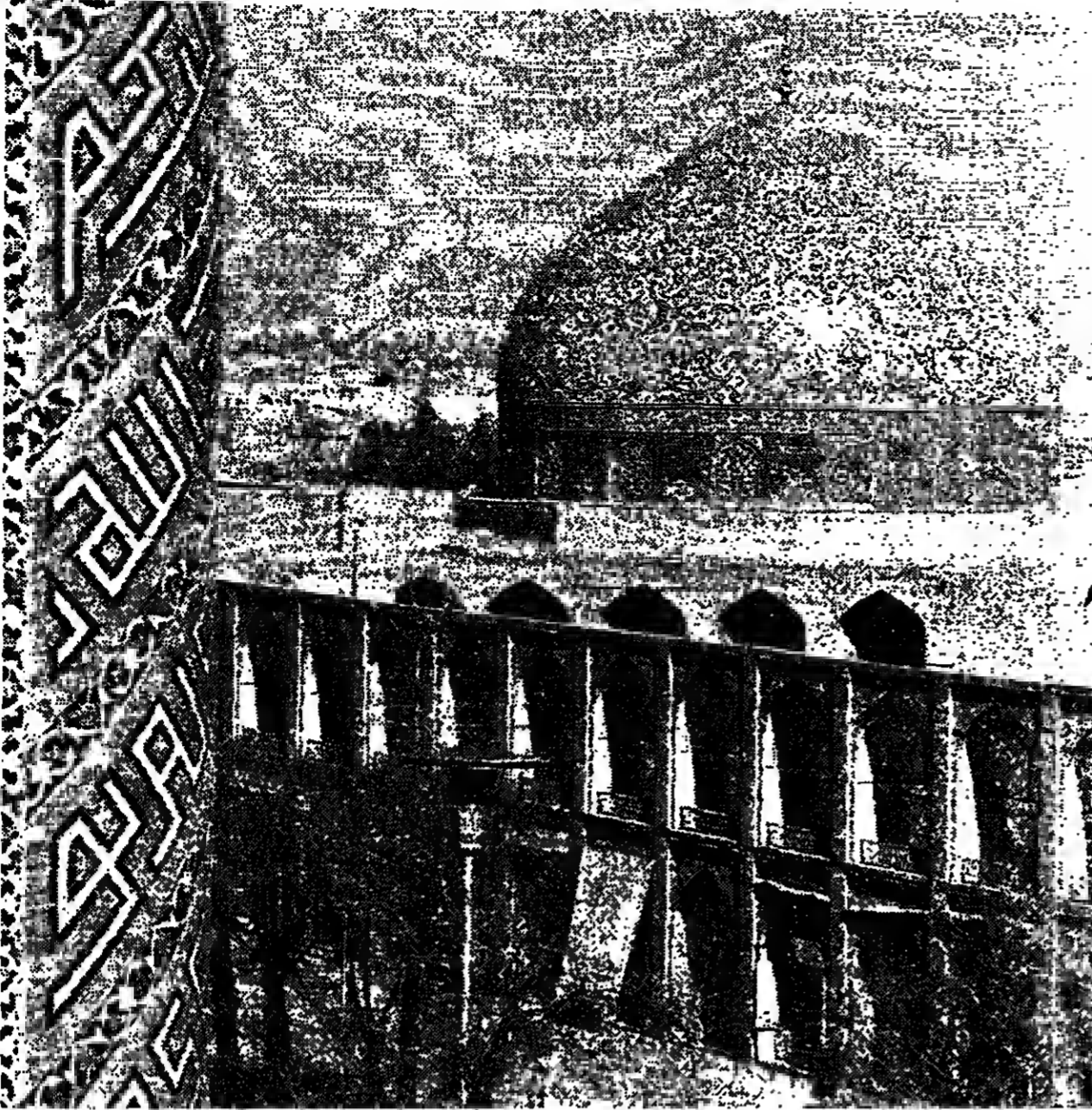
Given the present tightness of money in the United Kingdom, this could be an ideal arrangement for British business and industry. The laws affecting the attraction and protection of foreign investment were approved several years ago when Iran was acutely short of capital. The main incentives offered are a rebate on import duty for material used for the manufacture of export products; fairly cheap credit for financing; and a negotiable subsidy of up to 10 per cent on the company's export turnover.

Tax holidays of from five to 10 years are offered and tax exemption of from 20 per cent to 100 per cent, depending on the product and location of the industry within the country. For example, there is a 10-year tax exemption for income earned from the development of products considered essential for the country's economic growth. These are listed by the ministries concerned.

Further, Iran does not impose any sales or purchase tax, with the result that, according to the president of the Iran Chamber of Commerce, Industry and Mines, Senator Taber Ziai, some companies realize up to one third of their invested capital in net profit.

In the past many foreign companies have complained about certain bureaucratic aspects of business. Foremost among them was the taxation system. Ministry of Finance inspectors would ultimately descend on them with a greatly inflated tax assessment. Recent amendment of the income tax law provides that the ministry should accept properly audited books kept by the companies.

In practice, inspectors have been known to reject such books on technicalities or refuse to accept the aud-



The Shaikh Lotfollah mosque in Isfahan. The city is planned to be one of the nation's primary centres of industrial growth.

tors and make their own assessments. The law provides for appeal, though, to the ministry's own machinery. To discourage excessive assessment it is laid down that if the figure finally fixed by the board of appeal is more than 20 per cent less than the assessment the tax inspector will be censured.

However, since members of the appeal board are his colleagues, they seldom reduce the assessment by 20 per cent merely to avoid embarrassment.

The inability of foreign companies to follow the exact letter of the Iranian tax law appears to be the single most serious problem

of overseas investors, especially when the foreign partner is also entrusted with the management of the undertaking. However, the situation is generally alleviated by the fact that all companies not only have Iranian partners fully conversant with the law but also employ skilled legal advisers.

The prospective investor would do well to remember a remark often repeated by businessmen—and echoed by several British negotiators at the investment conference held at Persepolis a year ago—that the Iranians are a race of negotiators, willing to keep investors waiting indefinitely while

they attempt to extract better terms. The manufacturing industries earmarked are motor vehicles, building materials, cellulose printing and electrical goods. Investment in these can be expected to be encouraged as a priority, as well as in any others that will help the country with its policy of industrialization.

The upward revision of the plan, based on the country's increased oil revenue, under the new 20-year purchase agreement with the consortium, affects mainly the steel, petrochemical and textile industries. Another factor likely to

affect the degree of incentive given to foreign investment is regional disparity. Since 1968 there has been an embargo on the establishment of new plants in and around Teheran and, with the exception of the cement, bread and a few other industries, it will continue to be rigidly applied. This is not only to reduce the effects of excessive centralization but to conserve water; Teheran's capacity for growth is at present limited by a shortage.

The primary centres of industrial growth are to be Isfahan, Abwaz, Tabriz and Arak, with secondary centres in Rasht, Mashhad and Shiraz.

Opportunities for UK financial insight

The Iranians have ambitions of turning Teheran into a big international financial centre. There is some recognition that it is unrealistic to try to do this too quickly, given the limited services available, notably the embryonic state of the stock exchange.

This is certainly an area where the opportunities for British skill look very promising, and where they may claim a special competence to balance other nations' greater strength in technology. In fact, one experienced observer recently assessed the scope for foreign participation in financial services in Iran as "enormous". Yorkshire Insurance went into Iran soon after the end of the Second World War, but the insurance industry is still very underdeveloped. Three companies have been formed within the past year, the latest being a joint venture between Iranians, Royal Insurance and the American Continental Insurance Company.

Two recent changes have radically improved Teheran's attractions as a financial centre. All foreign exchange restrictions have been lifted, and last month Iran informed the International Monetary Fund that the rial was now fully convertible. The hardness of the Iranian currency is shown by its fixed rate against the dollar, while the pound floats against the rial.

From January this year, earnings and repatriation have been able to move freely and out of the country. This is all planned as part of a strategy to turn Teheran into a leading commodities centre, as well as a money market.

With the lifting of restrictions, the authorities are looking at ways of permitting change to trade in foreign stocks and bonds and other kinds of securities. A number of foreign securities houses are showing an interest in moving into Teheran through partnerships with local banks.

Up to this month only 34 companies have been registered on Teheran Stock Exchange. According to one leading financial source, though, another 12 could be added by the end of the year. The official explanation given for the slow development of this institution is that, to achieve complete trust in its operations, there has to be a careful vetting before any enterprise is listed.

Each company has to prove three consecutive years' profitability and, naturally, with such a booming economy, some obvious candidates for

quotation have not been in existence for as long as that. Only six firms of auditors are allowed to carry out the necessary scrutiny. The Shah has called on main companies to offer at least one third of their shares to the public, with the first option going to employees. The shares of these undertakings may be, but are not necessarily, offered on the stock exchange.

Turning to hopes of becoming an important commodities centre, the specialized skills needed for dealing in metals and raw materials help to explain why the Iranians are looking for joint ventures with foreign firms equipped to help them in a wide range of financial services above and beyond banking, historically the first area of joint ventures.

The Iraco-British Bank dates from 1958, and was followed by similar partnerships bringing in British, French, Dutch, West German and Japanese banks. Last year saw the start of a new wave of activity in banking. The Central Bank

(Bank Markazi) asked all banks to increase their capital. After more than 10 years of consolidation in banking, four new banks were founded in Teheran in 1973. Among them was the Development and Investment Bank of Iran, which has American, German and Japanese participation.

Chase Manhattan and Bank Saderat have been licensed for a joint venture, with Chase having 35 per cent of the equity. According to one banker, it was now most unusual to get better terms than a 35 per cent holding. But this still leaves a net increase in foreign investment compared with the days when 49 per cent was the norm for the overseas partner.

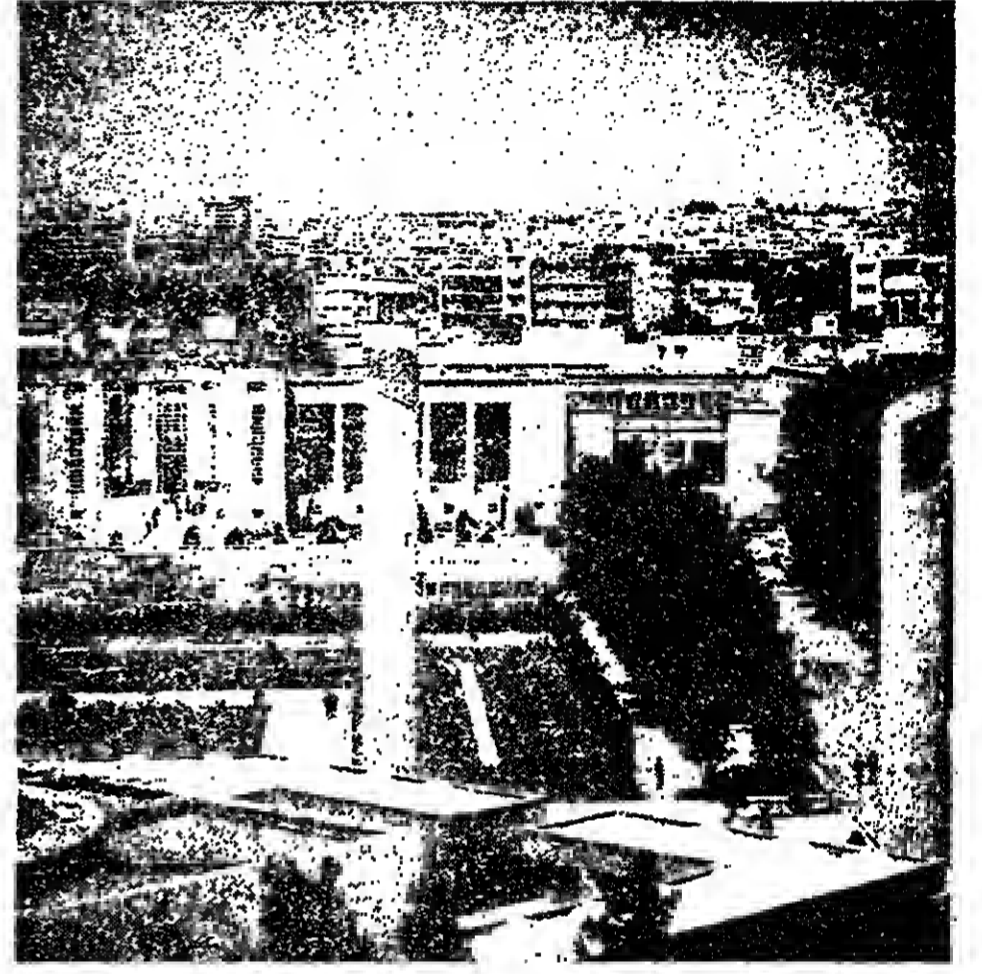
The Development and Investment Bank, while similar in structure to the privately owned Industrial and Mining Development Bank of Iran, operates on a smaller scale. The IMDBI, founded in 1959 and headed by one of the key figures in Iran's economic take-off, Mr Abol Gasem Kheradji, is the main agency for helping to set up

joint ventures and arranging loans. During the past decade the bank has helped in finance about 60 per cent of all private sector investment in Iran.

The British financial role in Iran was already greater than appeared on the surface. In industry, on the other hand, the name of a joint venture company is more likely to indicate overseas involvement. The B shares of the IMDBI are held by foreign interests, including Barclays Bank International, the British Bank of the Middle East, Lloyds Bank, the Midland Bank, Simon Carves and Cushion Trust.

The extension of Iranian banks in London demonstrates their confidence in the City's financial services. Encouraging noises, too, about relevant British skills in many fields, such as merchant banking and broking, are to be heard in Teheran. Persians are not noted for trusting each other, but they appear to trust British bankers.

D.T.



Teheran, looking over a mosque and the medical faculty towards the mountains.

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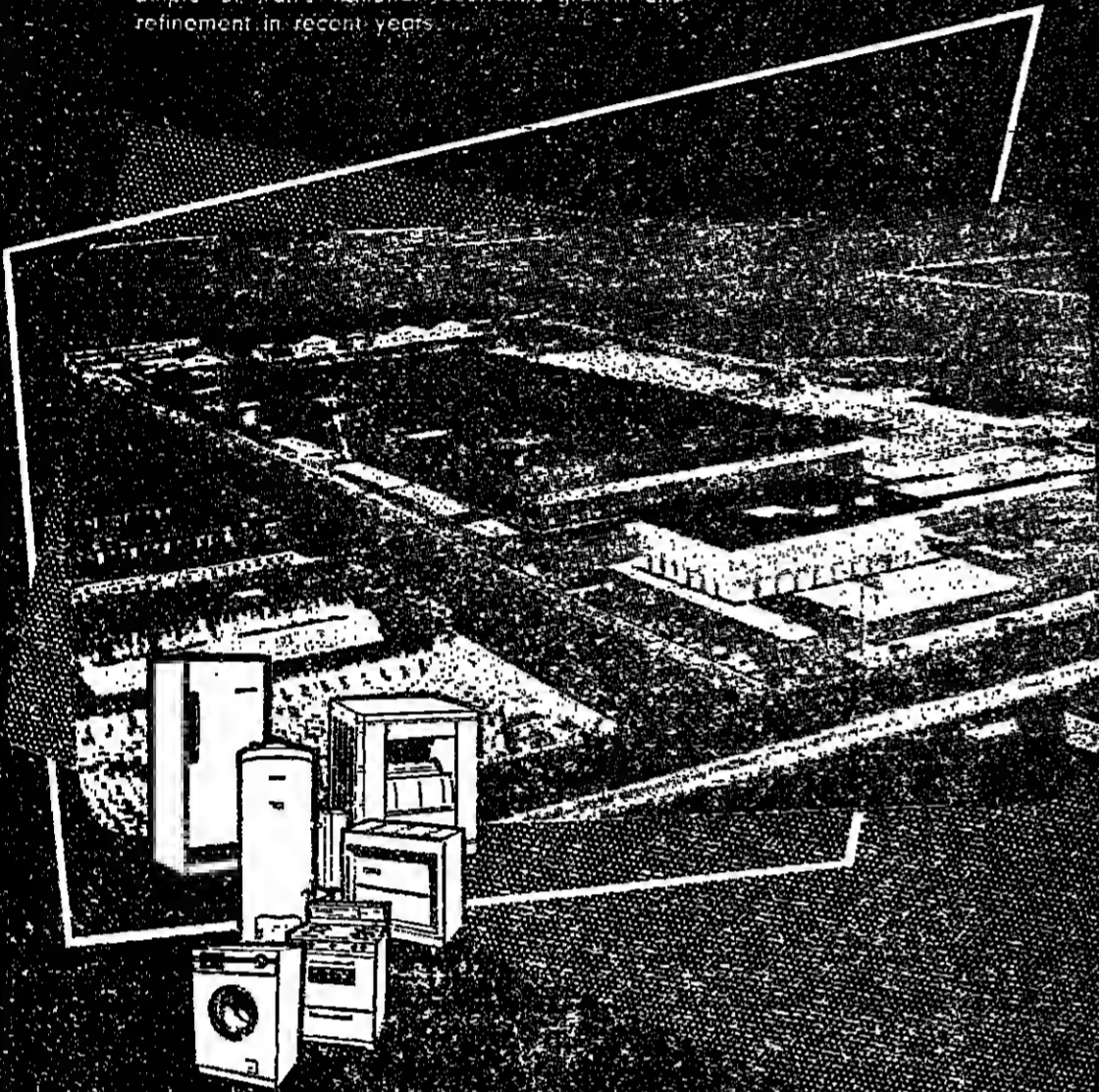
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Investors must be ready for tough negotiation

by Denis Taylor

British companies contemplating joint ventures should not be under any illusions that Iran is an easy market. On the surface there are few obstacles in the way of the prospective foreign investor. Although government policy is now to limit overseas holdings in joint ventures to a minority of the equity, there is no prohibition in law of the extent of foreign participation.

If, for example, the outside partner is ready to share overseas sales markets, it may be possible that the Iranian will be allowed to hold more than 49 per cent. But the time for which such an arrangement is allowed will certainly be limited.

In Teheran this month I was assured that, if an outside firm wanted to set up in Iran to export 100 per cent of its production, the authorities would not be averse to foreign majority ownership in a joint venture. Investment in agricultural business is normally exempt from limitations on foreign majority stakes.

Although the theoretical maximum foreign participation in most cases is 49 per cent, the most commonly quoted yardstick is one of a two-fifths foreign share in a joint venture. Final approval for a venture is given by the Ministry of Economic Affairs and Finance, an umbrella department which has taken over the functions of the Centre for the Attraction and Protection of Foreign Investments (CAPI). This was formerly run from the Central Bank.

Mr Farrokh Najmabadi, Minister for Industries and Mining, expressed the Iranian attitude this way:

"We want to be absolutely sure that, when a foreign investor comes to Iran, he doesn't come for a quick buck. If he really wants to make money here, the basic philosophy is that he should associate himself with the prosperity of Iran."

"In so far as he does this and also prospers, this we would like to see."

This statement points to the tough negotiating which the intending investor is likely to face. The Iranians, their confidence reinforced by the money now at their disposal, increasingly can pick and choose the outside firm which they wish to have in the country. Several enterprises, American, Japanese, German, Italian and British may all be interested in a prospective deal.

During the course of discussions—and this is always assuming that his is the concern the Iranians prefer and he has got as far as substantive negotiations—the foreign industrialist may think a deal is almost settled. He may find that this conclusion does not tally with that of the Iranians, and he may begin to wonder if the matter will ever be satisfactorily concluded.

The manoeuvring can test the applicants' nerves, patience and stamina, and the teething stage may continue to be difficult. But the overwhelming verdict of investors is that everything is worth it in the end. A successful operation in a country where there has not been a single bankruptcy for years seems a good reward for those with real business instincts.

There is a touch of the gold rush about Teheran, and businessmen and technicians who feel unfulfilled by the recessionary climate outside,

can lose some of their inhibitions. In such an economy, even rising inflation, unofficially assessed at 20 per cent, does not reduce the nervous reflexes that it would in the West.

Nothing is wrong with making a general on-the-spot assessment of the opportunities in Teheran, although making appointments may prove difficult. But organizations like the Industrial and Mining Development Bank of Iran want to deal with specific proposals. The IMDBI is the best source of money and advice for investment, offering a wide range of consultancy services. It is a development agency as well as a banking institution.

The bank in spite of being interested in firm ideas, is ready to discuss a project at an early stage, in order that past mistakes such as over-investment can be avoided, and will identify feasible projects and bring Iranian and foreign investors together. The IMDBI will want to go into a host of details, including the availability of labour and raw materials, and the ability of the internal and export markets to absorb production, enough profitability to repay loans, and the prospective investor's experience and competence in management.

It may come as a surprise that, while Iran desperately needs the management skills and technology of the outside world, there should be a tendency to be critical of some of the executive standards provided by foreign enterprises.

The Iranian argument is that, even before the four-fold rise in oil prices, management was being given a lower investment priority than technology but a higher

place than finance. After the conclusion that they were not seeing management skill of the necessary quality.

When they thought about it, this only seemed logical. Companies would want to keep their first-class men at head office. So the Iranians decided that they would sometimes be better off with Iranian, rather than with some of the expatriate staff they were getting. It is claimed in Teheran that, since these foreigners were transferred home, the operations in question have been running much more smoothly.

Iranian managers, it is said with unchallengeable logic, know Iran better and, of course, the labour force is local. The Persians are proud of their work force, and emphasize their strong tradition of craftsmanship, their quickness to learn processes and their adaptability.

Foreigners tend to be highly complimentary about the performance of the western-trained technocrats at the top of the Iranian government, banking and business organizations, but to be less impressed than the Persians seem to be with their own middle management and labour.

There are vast regional differences and the same criteria are not always applied to assembly work and more individual tasks, and some outsiders are more satisfied than others. In any case, productivity remains high, except in agriculture.

Would-be investors should take special care in choosing Iranian partners. This judgment should not simply be done on the basis of normal economic criteria. For all its modernization, Iran remains a distinct society with its

own conventions. The material progress being achieved means that the contradictions are magnified. Business methods range from those learnt in the bazaar to those imparted at the Harvard Business School.

The outsider needs a partner who understands the Iranian system, and is socially well enough placed to have influence within it. A degree of bribery is part of the Iranian system, but the foreigner may never be directly aware of the donations which can oil the wheels.

On the general question of honesty, one British businessman was scathing about the attitude of suppliers in the United Kingdom. "British firms tend to operate on the principle that they are not going to get paid," he said. "Few companies in England will give Iran confidence and trust, and they lose out. Sometimes the Iranians are slow payers, but they are good payers."

Iranians are proud. Their wealth is new, but they have a long heritage and things must be done the Iranian way. Although they have experienced episodes like British and Soviet control and the past domination of the oil companies, the Iranian have had a very different past from that of the colonized peoples of Asia. The Persians do not defer to foreigners and anyone doing business there must get used to adapting.

Iran knows it has only a limited time in which to industrialize. On the other hand, this pressure means that the Iranians are prepared to take their time in finding the best technology from the outside world, and the intending investor should remember this.

Technology is the key to any partnership

by a Special Correspondent

The development of a comprehensive chemical industry based on Iran's oil and gas reserves is one of the major planks in the oil-based industrialization programme. Petrochemicals are also the only sector of the oil-based industry where there is any real opportunity for direct foreign investment.

The oil industry is now firmly under the control of the National Iranian Oil Company who will be spending large amounts of money on expanding production but do not want foreign partners, except in the exploration work.

The gas industry, an offshoot of NIOC's operations, is in a similar position. The opportunities for supplying goods and services are good but there is no possibility of getting even a tiny stake in the industry.

Although modern petrochemical plants are highly automated, the growth of a major industry will provide a large number of job opportunities. Petrochemicals are broken down into two distinct categories; there are the major complexes that produce the basic building blocks from which other chemical products are manufactured. Investment in these basic

complexes is so large that Iran has decided that this area must be reserved for the state organizations, usually in partnership with foreign companies which are principally involved because of their technological skills.

But the second tier of the industry is very much open to foreign investment. Opportunities vary widely from multi-million pound projects to much smaller operations turning out finished goods. In all cases, the Iranians are looking for partners with technological know-how.

Iran's plans for becoming a major force in the world chemical industry are based on its reserves of crude oil and natural gas. Although output schedules for both are being increased to boost revenues, long-term plans for these two industries are designed to ensure ample oil and gas for use as chemicals feedstocks well into the next century.

The planning of new projects is at present in a state of flux because of the revision of the five-year plan which seems certain to double the amount of investment in chemicals. Like other major oil producers on the Gulf, Iran has been inundated with proposals from Western companies for new joint projects since last winter's supply crisis and the



Pipes and storage tanks near a petrochemical plant on Kharg island.

quadrupling of oil prices. Western companies are anxious to establish refining operations in Iran but the Government had told them that these should be linked to a petrochemical complex.

New refineries will be designed to produce the maximum amounts of petrochemical feedstocks at the expense of other oil products. The backbone of the Iranian industry is four

major projects already in operation. The first venture into the industry was a fertilizer plant near Shiraz using natural gas as a feedstock. This was followed in 1969 by the establishment of Kharg Chemical which turns out naphtha, liquid petroleum gas and sulphur.

More advanced products, including polyvinylchloride (PVC), are manufactured at the Abadan Petrochemical Company next to the Abadan refinery. The biggest and most modern of the plants is the Shapur company which makes a diverse range of chemicals and fertilizers.

Work on the first of the new generation of plants has already started. In partnership with Mitsui of Japan the National Petrochemical Company (NPC) is building a 300,000 tons a year ethylene plant which will provide the raw material for 13 other processes. The complex is due to begin operations in mid-1977.

Other projects approved include a plasticizer plant with Nippon Iwai and Mitsui Chemicals of Japan; a carbon black plant with Cabot Industries of the United States; an ammonia plant being built by Humphrey and Glasgow of the United Kingdom; a polyurethane plant by Dynamit Nobel of Germany; and a urea plant with the Freuch.

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Thriving industry helps West in fuel crisis but forces prices up

by Roger Vielvoye
Energy Correspondent

Throughout last autumn's Arab-Israeli war and the resulting embargoes on supplies of crude oil to the United States and The Netherlands, and the restrictions on deliveries to other parts of the world, Iran's thriving oil industry remained unchanged. The massive offshore loading terminal at Kharg Island on the Iranian side of the Gulf kept topping up super-tankers while on the other side of the water Saudi Arabia, Kuwait and Abu Dhabi turned down the taps at their own tanker loading points.

Because the Iranian supplies were uninterrupted, the United States, Europe and Japan were saved from the worst effects of the Arab restrictions. By juggling their supply schedules the international oil companies were able to use Iranian crude to ensure that none of the oil-consuming nations of the world suffered too serious deprivations from the lack of supplies.

Western oil consumers can thank the Iranians for preserving them from the worst effects of last winter's supply crisis but they have no reason to feel grateful to the country for the part it has played in hoisting crude oil prices to their current levels. In the behind-the-scenes manoeuvring immediately before the Arab-Israeli war and the meetings held while the two sides were fighting and during the aftermath of the conflict Iran led the hawkish element within the Organisation of Petroleum Exporting Countries (Opec) that wanted higher oil prices.

Even before the Egyptian commandos and tanks began to cross the Suez Canal on October 6 Iran was in the forefront of the Opec nations agitating for a fundamental revision of the relationship between the oil-exporting nations and the international oil companies. Opec had been negotiating for a revision of the 1971 Tehran agreement on oil prices, due to run for five years. The Opec terms for renegotiation blocked the oil companies who the two sides met in Vienna early in October, and the companies requested an adjournment to allow them time to study the implications of the Opec demands.

Opec did not wait for the companies to respond to their proposals. On October 16 they announced a new unilateral pricing policy that would make individual countries responsible for

fixing their own crude prices without consulting the international oil companies. The first effect of this new policy was an immediate 70 per cent rise in oil prices.

A scramble for available oil supplies followed the October price rises and the restrictions on output. Iranian oil, not subject to any sort of restrictions on its destination, was particularly highly prized and in the auctioning of supplies that followed, the Iranians were able to command prices of more than \$17 a barrel, mainly from smaller Japanese and American independent oil dealers.

In the final weeks of 1973, Iran led the Opec lobby for yet another massive increase in posted prices. It is thought that the Iranians were in favour of more than \$12 a barrel for oil, but were persuaded, mainly by the Saudi Arabians, that neither the market nor the consuming countries could stand an increase of this nature.

It was perhaps fitting, in view of this tough stance taken by Iran, that the Shah should have been chosen to announce to the oil-consuming nations, two days before Christmas, that from the new year crude oil would cost more than \$11 a barrel, a quadrupling of the effective price levels before October.

The decision to fix prices at this level was influenced by the calculations of Opec's experts who felt this was the minimum cost of developing alternative sources of energy, particularly shale oil and tar sands. To delivering his announcement the Shah also reminded the consuming nations that as oil reserves were not an infinite resource it was wrong to continue to burn it when it could be used for far more productive purposes such as petrochemicals.

His announcement came just over a year after he had presented the international oil companies operating in Iran with an ultimatum that had changed the whole course of the industry in the country. Iran and the companies had been negotiating for some time over the future course of relations between the two sides.

The Shah issued his ultimatum: either the companies could sign a new agreement immediately under which they would relinquish all managerial responsibility on the oilfields in return for a 20-year sales contract,

or they could continue with the agreement then in force until it expired in 1979 at which point they would have to line up with other oil companies for supplies and receive no preference whatsoever.

Not all the companies, particularly the Americans, were happy with the ultimatum. Several favoured talking the Shah at his word and countering the agreement until 1979 and then relying on the increased output from Saudi Arabia for supplies. But BP was the largest shareholder and had no stake in the huge Saudi reserves—a factor that helped to persuade the consortium to agree to the Shah's terms.

As events later in the year proved, it was the wisest decision they could have taken. At the time when the Shah presented his ultimatum there was still talk of Saudi Arabia increasing its production to 20 million tons a year—a figure that is no longer mentioned.

The new contract was ratified last August. All management control was relinquished so that the companies no longer had any say in plans for the development and exploitation of reserves or the search for new reservoirs. A special company to provide technical services for the National Iranian Oil Company (NIOC), under contract, was formed.

Prices were fixed according to general levels prevailing in the Gulf. The new agreement ensured that the Iranians would not receive less for their oil than the Arabs on the opposite side of the Gulf who were still operating the posted price system and were in the course of negotiating participation agreements with the international companies.

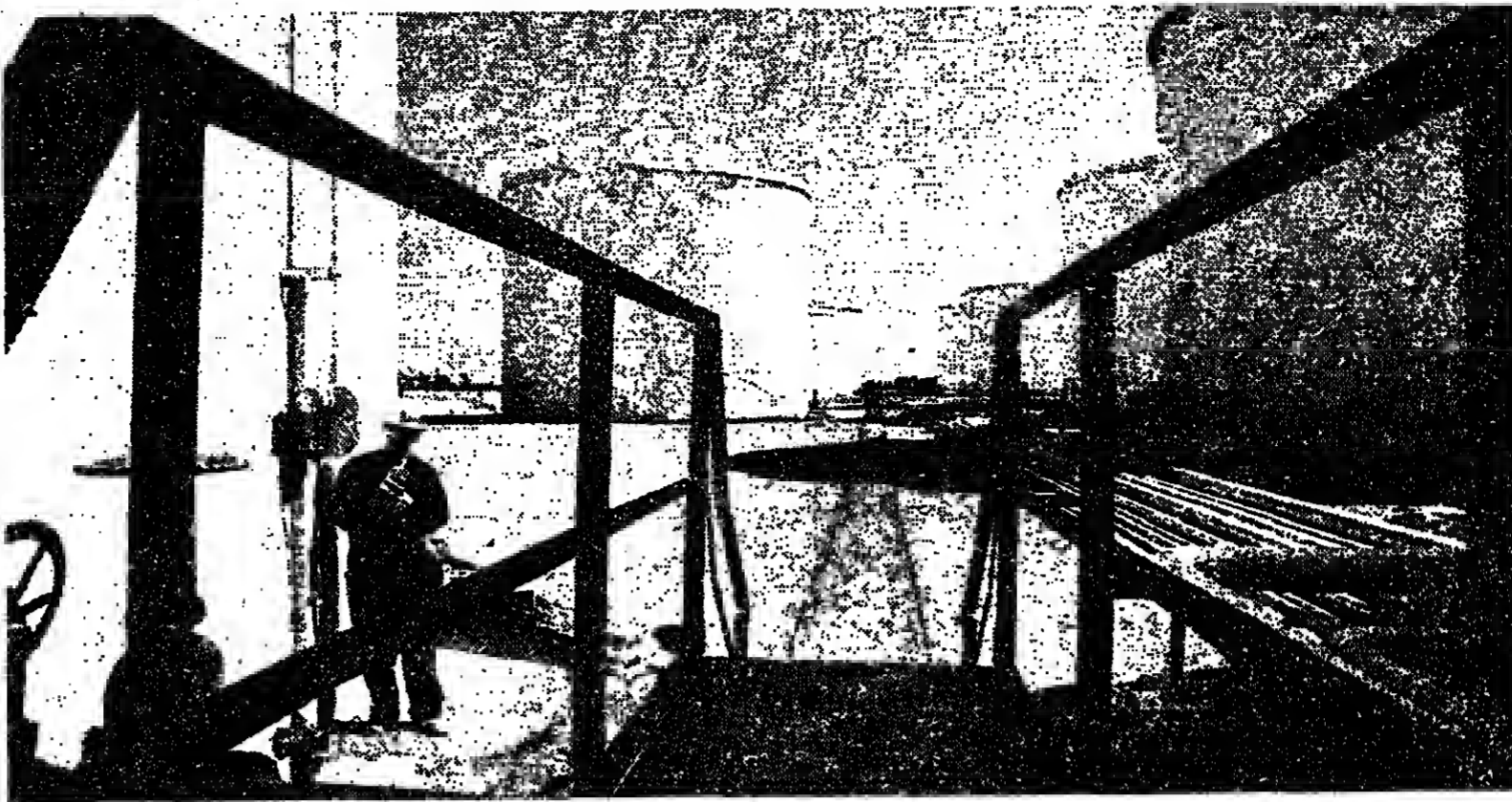
Production from Iranian fields is now more than six million barrels a day and is scheduled to reach a peak of about eight million barrels within the next two years. But Iranian reserves were the first in the Middle East to be exploited and after over 50 years of continuous production they are nowhere near as plentiful as those of Saudi Arabia and Kuwait.

Because the Iranian economy is now being geared up on Western lines, oil production must continue at peak rates at least until the mid-1980s to provide the revenues needed to finance industrial development. From the companies' point of view, the Iranian oil production coincides

with the time when oil supplies throughout the world could be at their tightest. Every major oil importing country is making its own efforts to develop alternative sources of fuel, and to economize in the use of oil, but few countries can seriously expect their efforts to bear fruit until well into the 1980s.

However, running the Iranian oil industry at more than eight million barrels a day for between eight and 10 years will seriously deplete reserves and by 1985 the amount of oil that is available to the signatories of the long-term contract will begin to drop. Domestic demand in Iran is small but as the results of the industrialization programme become apparent, it will be necessary to divert more oil into the domestic market. NIOC estimates that domestic sales will rise from 284,000 barrels a day at present to about 1,500,000 barrels a day in 1992—approaching the levels of a large industrialized country like Britain.

Satisfying a home market of this size would make NIOC into one of the world's largest oil companies to its own right. NIOC,



A Teheran refinery, one of the network being built to meet expanding needs within Iran.

however, is not prepared to remain a domestic body selling oil to outsiders and meeting the demands of the local population and industry.

First tentative steps into the international market have already been taken. The amount of crude available to it from the concession areas formerly held by the international oil companies will rise steadily and reach about 1,400,000 barrels a day by 1984. At the same time NIOC can expect its share of crude from joint ventures outside these concession areas to move forward.

NIOC is involved in 12 joint-venture companies in Iran and holds at least a 50 per cent share in each of them. So far only four of these joint-venture companies have put oil discoveries economically feasible. Iraq has for long been sensitive about secondary recovery and before the new agreement was reached it accused the members of the consortium of failing to fulfil their obligations to ensure that reservoirs were drained of as much oil as current technology would allow.

During the summer, Iran invited bids for a large amount of new acreage, both onshore and offshore, including the areas surrounding the consortium's agreement area. It is thought that 40 companies made bids but because of the stringent terms contracts were concluded with only three companies—CFP of France, Ultramar, the British-based company, and Deminex, a consortium of West German companies involved in overseas oil exploration work.

Under new Iranian legislation covering exploration licences, companies do not receive any equity participation. In the event of a commercial discovery, NIOC will take over all production and development operations and sell to the exploration company for a limited period, up to 50 per cent of production at about 5 per cent discount off a market price to be agreed between the two parties.

This is to recompense the exploration company for the financial risk, since it has to bear all the costs up to commercial production with no compensation for failure. A further undisclosed discount will be allowed for the recovery of

exploration and development expenditures. The Deminex agreement covers two areas—7,810 sq km in the Abadan region and 6,702 sq km near Shiraz. The German company agreed to a signature bonus of \$32m, minimum exploration commitments of \$65m, and production bonuses of \$7m. The company will have purchase rights for between 30 and 45 per cent of production at a discount of 3 to 3.8 per cent.

Ultramar paid a cash bonus of \$4.5m and will spend a minimum of \$14m on exploration over the next five years in 7,810 sq km in the eastern part of the Lars region in southern Iran. The company will have the right to buy 50 per cent of production at a 5 per cent discount, reduced to 4 per cent if output exceeds 100,000 barrels a day.

The third signatory, CFP, has acquired rights over 8,000 sq km in western Lars. The French company paid a signature bonus of \$6m and will spend a minimum of \$40m on exploration over a five-year period. Further production bonuses of \$5m will be made if and when

production reaches 35 million and 75 million barrels. CFP has the right to buy 45 per cent of production for a 15-year period at a 5 per cent discount.

Later two other groups, Ashland and PanCanadian, and Agip of Italy, agreed terms for exploration tracts. NIOC ventures overseas started on a small scale and are still at a fairly low level. Initial experience was acquired in crude oil trading operations with East European countries in the late 1960s. Once the lessons of the early trading ventures had been absorbed, NIOC decided that its future lay in taking an interest in downstream marketing operations rather than straight crude oil trading.

First of these joint-venture projects was set up in India where NIOC participated in a refinery project in partnership with the Indian Government. Both Japan and West Germany—countries that have no based major oil company, and rely on the international oil companies for the bulk of their supplies—have been anxious to conclude direct-oil sales deals with the Iranians.

Iran told both countries that it was prepared to consider deals on certain terms. Refineries would have to be built in Iran and the product shipped to the markets where NIOC would want a share in the marketing. Germany has accepted these conditions and is involved in the construction of a 500,000 barrel-a-day refinery on Kharg Island. The Japanese have, for the time being, drawn back from detailed negotiations of a similar deal.

But the most significant deal reached by NIOC overseas so far has been with the American independent oil company Ashland Oil. NIOC would buy into Ashland's New York state operations by providing crude oil for its 125,000 barrel-a-day refinery at Buffalo which would eventually be expanded to handle more than 400,000 barrels a day. But the deal has run into temporary difficulties because the soaring price of crude oil makes the deal an expensive one from the Iranian point of view.

Another group, this time of American companies, is interested in establishing a third new 500,000 barrel-a-day refinery in Iran. The companies in consultation with NIOC on the project are Stett Oil, Crown Central, Apco and Cities Service.

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Pollution in the Caspian makes an anxious man of the gourmet

Progress and pollution are often synonymous. The sufferer in this case is the sturgeon—and the gourmet who may be deprived of his caviar. The Caspian Sea, one of the world's largest inland seas, is the home of the sturgeon, which provides the finest Iranian beluga caviar (price £45 for a 1lb tin in London).

Recent industrial development along the Russian and Iranian coasts of the Caspian Sea have posed dire threats to the sturgeon's existence. Earlier this year ecologists issued a warning about the severe consequences that leakage and pollutants from Soviet oil installations might have on marine life in the Caspian.

Seven years ago Iran began a major project for sturgeon breeding and in 1972 nearly seven million young sturgeon were put back into the Caspian. To make sure they survive, and to ensure the government forecast of a 250-ton caviar yield by 1978, strenuous efforts are being made to safeguard the Caspian.

A conservation department headed by Ehsanul Firuz, which is directly responsible to the Prime Minister's office, has been instrumental in establishing two agreements with Russia to reduce the output of untreated effluent into the Caspian. "Unless we do something, pollution will take a very heavy toll of the sturgeon," Eskandar Firouz says.



Planning for doubled industrial output

When Iran embarked on its fourth national development plan more than seven years ago it was decided that the need for self-sufficiency had to be emphasized so that imports of industrial goods would fall drastically by the end of the period. Mainly because of the shortcomings in management personnel and also the acute shortage of trained and skilled labour, the ultimate goals of the fourth plan were not achieved.

Nevertheless, such momentum was made in the country's industrial activities that by the start of the fifth plan over two years ago some progress was achieved in those industries producing consumer goods.

With the beginning of the fifth plan, more emphasis was placed on general industries, but this time experience gained in previous plans helped the planners to look at the situation in a different and more realistic light, and thus helped to bring about the more recent achievements.

One of the basic guidelines of Iranian industry is to complete, equip and expand the existing plants, and to create the necessary incentives for the merger of these units to increase their efficiency and also to remedy the insufficient number of management specialists. This move has at the same time helped various industries to reduce their production costs and thereby make economies in the operations and improve quality.

The new government policy aims to provide the maximum security and encouragement to foreign investment so that badly needed technology and managerial skills can be obtained, in addition to providing the home industries with the expertise and outlets needed if industry is to operate at full capacity. Many investment agreements which Iran has reached with foreign companies include clauses calling for the export of a certain percentage of the product.

The current national programme envisages an increase in the value of industrial products from more than £3,000m at the end of the fourth plan, to more than £6,000m in 1977, with an average annual growth rate of more than 14 per cent. To obtain such results, the industrial sector will have to contribute to the gross national product about 16 per cent. In 1972 total employment in the industrial sector was 1,750,000 and it is planned to reach 2,500,000 by 1977.

Despite the fact that local industries have been receiving a great deal of protection from the Government through its restrictive tariff policies, it is planned that this protection will be gradually reduced on consumer goods so as to bring up the quality of goods manufactured locally and also to enable these goods to be competitive with similar imported products.

Along with this trend, appropriate tariff protection will be given to manufacturers of intermediary or capital goods, so as to reduce imports and encourage domestic production, which will eventually result in saving in foreign exchange. It is also planned that after a sufficient period of protection this too will gradually be phased out in the food industry.

A promising opportunity for foreign investment exists in cold storage facilities, chiefly in provinces and districts to ensure reliable supplies of good fresh qualities. Plans are also being made for the production of live stock and poultry feed so as to regulate the supply and prevent any problem from arising in the cold seasons. Already several British firms are active in this sector.

To avoid any shortage of animal protein in Iran and increase the income per head of the inhabitants of the coastal regions, efforts will be made to introduce trawl fishing. This will be done at first as an experiment, and fishing vessels will be also operating in international waters and foreign exchange will thus be earned from the export of canned fish, fish meal and other products.

In the textile and garment industries, there is still some way to go before the country reaches self-sufficiency, let alone export levels. Particular emphasis will be placed on these industries, especially on the production of ready-made clothing, in which Iran has a natural advantage.

Taking note of the public's taste for natural silk and the increase in production and export of silk carpets and other handicrafts, the ancient traditions of the silk industry will be revived. Already plans are already in way in the northern provinces of Gilan and Mazandaran for increasing the production of natural silk.

In the cellulose sector, it is planned that by 1977 the increase in value will be at an average rate of nearly 18 per cent. Efforts will be made to use fully the 1,400,000 hectares of commercially usable forests, and by establishing timber factories and pulp plants in northern Iran, more than half the country's paper consumption will be provided locally.

The mechanical industries will put a special emphasis on the production of capital and intermediate goods such as machines, pressure vessels, industrial boilers, steel structures, pumps and compressors, presses and electro-motors. There will also be emphasis on raising the level of industrial knowledge and training skilled manpower.

This sector will show by 1977 an average growth rate of 28.2 per cent. The electrical utilities industry has already impressed everyone with its progress of the past decade. This is one industry that entered international markets long ago and trends show that this will continue for a long time. The manufacture of durable consumer goods such as refrigerators, television sets, telephones and light bulbs will continue to increase and by carrying out projects for the home production of components and equipment the growth of this industry will increase by an annual rate of 16 per cent.

The general industrial development of the past decade has made Iran almost self-sufficient and soon major international traders will find themselves faced with a new competitor which can rely on its vast oil revenues to finance expansion projects of almost any size.



A textile mill in Teheran.

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Concorde can shorten journey to China

by Arthur Reed
Air Correspondent

Iran Air, the national airline of Iran, is well advanced in its preparations for a major expansion programme with new airliners—most likely including the supersonic Concorde—and new destinations on its already busy route map.

The most imminent of the new destinations is New York which is to be served by Iran Air as an extension of its existing route from Teheran to London from November 19.

Later the airline plans to extend the New York service farther into the United States to several destinations, particularly Chicago and Los Angeles. No definite dates have yet been fixed for these extensions, however.

A second important expansion of the Iran Air route network is scheduled for May 31, when flights begin to Tokyo by way of Peking and Shanghai. These services will connect with the airline's London services twice each week so that it will be possible to fly from London to Peking making only one stop, or through to Tokyo making two, Iran Air claims that by way of the Middle East, this will be the fastest service in the international timetable.

The airline flies 11 times each week between its main base at Teheran to London, and also serves other important centres in Europe, notably Frankfurt (with nine services each week), Paris (six services), Geneva, Zurich, Vienna and Rome. Traffic is split fairly evenly between business and tourist, but Iran Air hopes the developing tourist



British Airways' Concorde 202 taking off from Heathrow airport for Iran to undergo hot weather trials.

industry in Iran will boost the latter sector.

When the new routes to the United States and Japan begin they should tap new sources of tourism for Iran in both of those travel-conscious areas.

Iran Air is not prepared to discuss in any detail its expected purchase of Concorde supersonics, but two of the routes on which it is most likely they will be added to the itinerary. As China is another prospective purchaser of the 1,330 mph Anglo-French airliner, it is not difficult to see a linking of supersonic services between the two countries.

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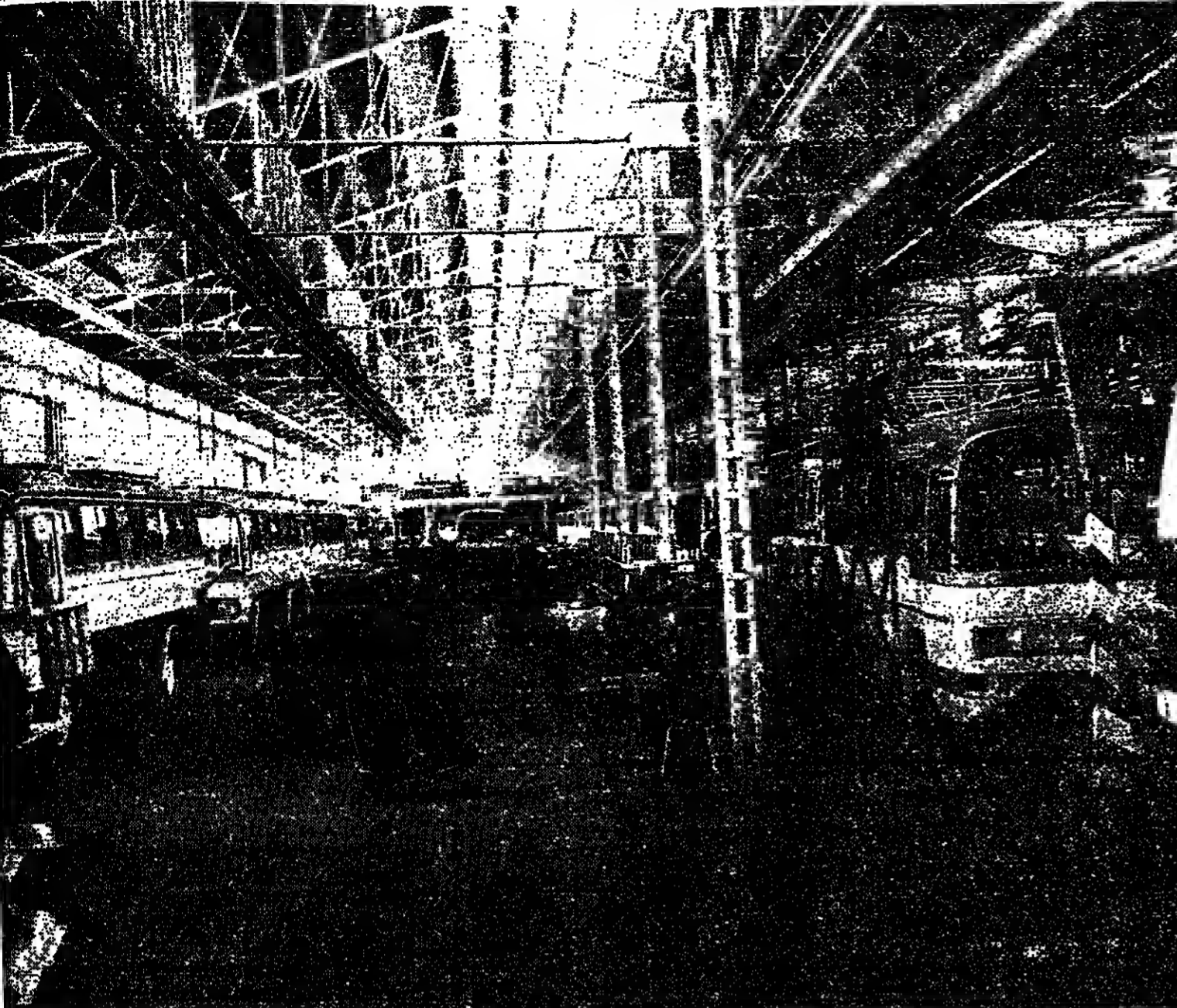
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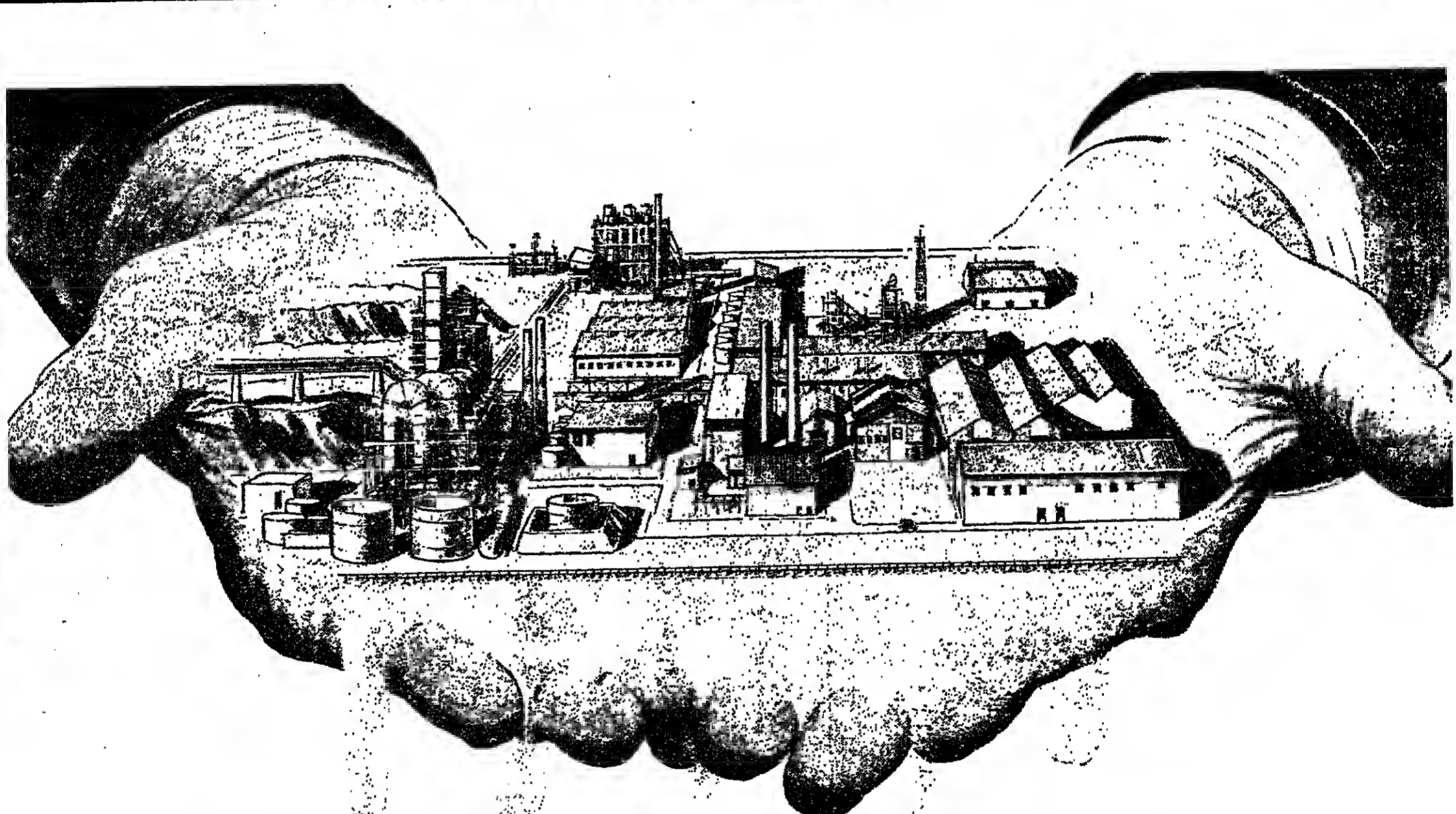
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Car assembly lines in Teheran. Bottom: a Citroën plant. Top: large production of buses.



In an age of world conflict, a symbol of unity is a rare delight. And a desert becomes a new industry.

Components follow foreign car

In the exception of oil and chemicals, no industrial sector in Iran has been able to develop over the past 12 years. When in 1962 the government issued the first order for assembling buses, no one could have predicted the growth ahead. In a few days, the country has 4,000 km of asphalt roads and 16,881 km of secondary roads. An annual 806 km of asphalt work, bringing the total to 12,060 by 1972. In all important rural areas now been connected by 9,639 secondary roads. In the past few years, per capita income has risen to 10 mark. Factors, together with increasing desire for mobility, helped bring vehicle manufacturing industry, which a small family owned exclusively with Benz buses, to itself in the space of two an industry of limited potential. In this period, the firm, later to become the Iran Manufacturing Co., to put on the roads of Iran and buses. The firm has been able to expand to such a degree that 70 per cent of components are made in Iran. More than 93 per cent of the buses on intercity routes are the product of two local industries—one affiliated with Benz and the other with the British Leyland group. After years after being licensed to assemble

At Haft Tappeh in the Iranian province of Khuzestan stands a £30 million pulp and paper mill. At present it produces 30,000 tonnes of paper representing 45% of Iran's entire production. And employs 885 people. By 1975 two further phases will be completed and the mill will be producing 110,000 tonnes, 70% of all the country's paper and board output. With a work force of 1,300 Iranians. It's the direct result of Anglo-Iranian co-operation. Reed Engineering Services (Overseas) Limited, a Reed Group Limited company, advised and guided Pars Paper Company on all aspects. From the initial feasibility study through to construction of the mill itself, its management and now its expansion. Our feasibility study showed how to utilise bagasse waste from a nearby sugar plant for the production of pulp for paper and board. A new industry emerged and sugar cane growing received a stimulus. And Reed has recently completed a feasibility study for yet another major project in Iran. Only a company such as Reed Group Limited, with an annual turnover of £230 million and a diverse knowledge of paper and packaging could turn waste into wealth.

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Plan envisages 1,800,000 new jobs

by Ali Reza Jahan-Shahi

Large areas of Iran are empty of people. Nevertheless, anticipating the consequences of unchecked growth of population and the adverse effects that it may have on the general economic development, the Government has set out to reduce the rate of increase in the population from 3.1 per cent to 2.6 per cent by 1978.

To achieve this, the average annual growth rate has been fixed at 2.9 per cent, which means that the population should increase from 31,200,000 in 1972 to about 36 million by 1977. It is expected that no major change will take place in the age structure of the population over the period of the fifth plan, and that 45 per cent of the population will remain under 15; the figure in the industrialized countries is about a third.

The other major factor has taken into account is that the industrial development of the past decade has meant that an increasing number of people move from rural areas to urban, industrialized centres in search of better jobs and higher wages. This has put

a burden on the towns that not all of them are equipped to handle.

The past decade has seen also great improvement in standards of health and hygiene all over the country, another factor contributing significantly to the growth of the urban population.

Because of these factors the gap between the growth of the urban and rural population has not been reduced. The figures are about 5 per cent in the towns and only about 1.2 per cent for the rural population. An increase of the urban population from 13,200,000 in 1972 to about 17 million by 1977 is forecast, representing 42.5 per cent for the population as a whole. The economically active sector of the population is expected to decline from 29.5 per cent in 1972 to 29.4 per cent in 1977 although in numbers it will show a rise of from 9,200,000 to 10,600,000.

The fifth plan, which began in 1972, set out to achieve a number of basic objectives. It is hoped to create the maximum number of productive jobs, while at the same time search of better jobs and efforts will be made to convert slowly non-productive

and under-productive jobs into productive ones.

In agriculture, which has the largest number of employed persons, about 40 measures will be gradually introduced to reduce the number of unproductive jobs by about 300,000, replacing them by more productive work. It is planned also to create a large number of jobs in industry and mining amounting to more than 760,000 new jobs in these sectors.

About 320,000 new jobs in construction and 400,000 in the service industries are planned, on top of the 100,000 unproductive jobs to be phased out. It is expected that 1,800,000 new jobs will be created during the fifth plan, all but 400,000 to be filled by those coming to the labour market for the first time.

More than a fifth of the new posts will be for professional and technical workers, who are urgently needed, and the ratio of professional and technical workers will increase to about 6 per cent. Included in this category will be more than 23,000 engineers, about 16,000 medical and related workers, more than

190,000 educational workers, and almost 70,000 technicians of various kinds. These demands are expected to be fully met by the Iranian graduates from technical colleges and universities, in addition to those who return home after finishing their education abroad.

There will also be a need for more than 200,000 skilled and more than 100,000 semi-skilled industrial workers. To meet this demand, the Ministry of Labour and Social Affairs has planned extensive programmes for training, the needed manpower, including facilities alongside factories.

Extensive use will be made of labour exchanges in assessing the number of persons seeking work and the market's demands. The Ministry is working on an unemployment insurance scheme to which the Government, the employer and employees would contribute.

Emphasis is being placed on the role women could play in the economy of Iran. It is expected that women will be given a much bigger role in teaching and assembly work. Finally, increasing numbers of workers will be given shares in their factories.



Eyes down at Anouschiravan Dad-Gir girls' school in Teheran.

Urgent need to expand universities

by Shaul Bakhsh

Just over 10 years ago, finding jobs for university graduates, then numbering only about 5,000 a year, posed a big problem. Student unrest in the late 1950s and early 1960s was at least partly attributable to poor or non-existent job prospects.

Today the number of university and college graduates has quadrupled. Yet it is estimated that the country faces a manpower shortage of 700,000 in the course of the fifth plan unless urgent measures are taken to expand university and other training facilities.

It was initially expected that investment during the fifth plan would create 1,400,000 new jobs. These could have been filled through the normal growth of the labour supply. But the doubling of investment will mean that 2,100,000 new jobs will be created, and the shortfall lies almost entirely among trained personnel: skilled workers, technicians, engineers, medical staff, teachers and the like.

These new pressures have underlined the shortcomings in the education system. There is little to fear with the growth in numbers, which has been impressive. The number of primary school students doubled between 1962 and 1972. The number of secondary school students tripled. There are four times as many students attending universities and colleges of higher education than 10 years ago.

But there has been little improvement in the general quality of education and in some instances a falling off. The Shah has accused the schools and the universities of granting "diplomas of ignorance". The reasons for the failure to maintain or upgrade educational standards are many and complex.

The rapidity of the growth in numbers has had an adverse effect on standards. The ratio of teachers to students and of classrooms to students is worse today at the school level than 10 years ago.

Although salaries of university professors and school teachers have improved in recent years, pay scales are still low in comparison to the higher salaries available in other jobs. The social prestige and standing of the teaching profession has probably declined in recent years.

Young Ph.D.s from good American, British and European universities are more likely to go into the ministries, the banks, the plan organization and the private sector than into the universities.

Teaching methods at school and university level tend to be outdated. The choice of most to run the universities has not always been a happy one.

University administrations have also been prone to sacrifice quality in the interests of order and quiet in the student body. At too many universities, students have learned that the administration will exchange passing grades for failing ones, easy for difficult examinations at a touch of the professor for a mild one,

rather than face the possibility of student unrest.

Finally, a review of the curriculum at both the school and the university levels has long been overdue. The school system is organized so that there are no real cut-off points between grades one and 12. Everybody aims to matriculate and everybody who matriculates goes to university. School education is not job-oriented, and those who fail to go on to university cannot get good jobs.

There has long been awareness of these problems and they have been a subject of discussion at a number of high-level meetings. Seven years ago, as part of what has been called the educational revolution, the Shah presided over a conference of leading educators and university heads to examine means of dealing with educational reform. The conference has become an annual affair, meeting each year just before the beginning of the academic year in September. Few could find fault with the resolutions passed, which reflect decisions to deal with a broad range of problems. Action has been more difficult. This year, however, prospective manpower shortages lent special urgency to the meetings.

Education free to eighth grade

One of the main decisions taken reflects the Shah's concern with the democratization of the educational system. The Government has declared education free to the eighth-grade level (students paid a nominal fee at the state schools). To make free education comprehensive at private schools up to the eighth grade have been nationalized. About 10 per cent of the five million children in the first eight grades had been attending private schools.

The Shah has also decreed that education at the secondary school (grades eight to 12) and university levels will be free for all students who undertake to serve in the Government after finishing their studies. University students will be asked to serve two years of free education.

Tuition at universities at the moment runs at around £250 a year. But this represents a subsidized cost. When the new decree goes into effect, students who do not wish to give an undertaking to serve in the Government will have to pay the "true" costs of university education. Officials estimate that for medical students, the figure could come to as much as £4,000 for each of the seven years of training.

One aim of the decree is to stop the drain to countries abroad of educated men and women. More Iranians educated abroad have been returning home in recent years. But the drain among doctors. Some 80 per cent of the graduates of the country's best medical

school, at Pahlavi University in Shiraz, leave for further training in America almost immediately after graduation. Many of them never return.

It has also been suggested that the undertaking to serve in the Government after graduation may mean a "guaranteed" government job. In future years the Government may try to make recruitment easier. But this does not directly solve the problem of poor-quality graduates.

To increase the intake of students, the universities have agreed to try to offer courses of study leading up to a degree wherever possible and to make better use of the summer holidays and other similar opportunities for teaching purposes.

There continue to be centres of quality education in the university system, for example, at Pahlavi University. Some of the provincial universities are beginning to improve, but some way will have to be found of setting the private-operated colleges of higher education to upgrade standards as well.

These colleges, most but not all of which are degree-granting institutions, have mushroomed in recent years. They now account for more than 40 per cent of all students in higher education. Otherwise, the trend is towards creating new institutions that will or could provide better quality education but will also further the aims of specialization and democratization.

A new body, the Free University which has been modelled closely on Herta and Paul Amirani's Free University, is planned. It will conduct the bulk of its teaching through television. The university will give BA courses and short-term training in specialized fields.

The Free University will take in 6,000 students when it opens its doors in two years' time. Expansion is also expected to be rapid.

It is now government policy to locate new universities outside Teheran and in the provinces and wherever feasible to establish these institutions where higher education facilities do not exist. Equal opportunity, particularly for those in outlying areas, is again a primary aim. It is hoped that these new provincial universities will concentrate on local problems and interests.

The latest university of this type to be commissioned is in Baluchistan where agriculture, animal husbandry and fishing will constitute the main areas of teaching. The trend towards specialization is evident elsewhere, as well. Two years ago a new business school, the Iranian Centre for Management Studies, was established with the cooperation of the Harvard Business School. Its 60 graduates a year have been quickly taken up by large industrial and business firms, banks and similar organizations.

A new university planned for Hamadan will concentrate on training men and women in fields related to

rural development and educational planning and research recently the Shah chartered the country's first graduate university.

The university, called after the present monarch's father, Reza Shah, will specialize in such subjects as the basic sciences, medical sciences, engineering, public administration and education. The various schools will be established in cooperation with leading foreign universities. Discussions have already been held with Harvard, the University of Southern California, Massachusetts Institute of Technology and George Washington University.

To meet manpower needs, the Government has also decided to launch a more systematic programme to bring some thousands of Iranians studying at universities abroad. It will send a number of students abroad on scholarships for specialized training at the graduate level.

It is hoped to increase the number of students in vocational schools by at least 500 per cent by the end of the fifth plan. The Government is urging the private sector, particularly industry, to join in helping train skilled workers and lower level technicians.

The Government is offering to help to set up and finance training centres next to factories and industrial units. It will also field a number of mobile vocational training units to reach smaller towns and outlying areas.

The problem of linking school education more closely to the job market also remains to be resolved. One approach now being worked on is the creation of larger complexes, similar to Britain's comprehensive schools.

This will allow the concentration of more teachers and facilities in one place, and offer the students a wider choice of subjects and more ready access to laboratories and similar services. The comprehensives, which will go into operation in about two years' time, co-ordinate vocational training units, and allow students easier transfer from one area of specialization to another.

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Gone fishing: a lagoon in Bandar-e Pahlavi.

Big untapped tourist potential

by John Ardagh

The Iranian Government has begun to take the development of tourism very seriously, and is now looking for foreign participation in building up the necessary amenities. The Government knows that Iran has a large untapped tourist potential; and it wants not only to be able to cater for more foreign visitors, but also to provide better leisure and holiday facilities for Iranians themselves with their growing affluence.

For the western tourist, Iran has an obvious cultural and exotic appeal, with its mosques and palaces, bazaars and nomadic tribes. But it also offers plenty of scope for skiing, hunting, mountaineering, game-hunting, as well as the pleasures of gambling, dining out and night-clubs, all as likely to appeal to prosperous Iranians as to foreigners. For all this, new infrastructure is needed.

Until recently, foreign travellers in Iran were mostly individual adventurers, while Iranians did little tourist holiday-making within their own frontiers. Today this is changing. Foreign package tours are spreading, and so is the habit among middle-class Tehranis of weekends on the ski-slopes of the Caspian coast. The annual total of foreign visitors, only 87,000 in 1963, was more than 400,000 last year, and is expected to reach a million by 1978.

The Iran National Tourist Organization (INTO) was set up only in 1963, and early this year was merged with the Ministry of Information to become the Ministry of Information and Tourism under Dr Gholam Reza Kianpour.

The tourism organization has sponsored the building of several big hotels in the past few years, especially in Tabaran, mainly for business clientele. But more hotels are needed, especially in other centres and for tourists. The number of hotel beds in Iran has risen since 1966 from 15,700 to 26,397 last year and will continue to increase rapidly.

More than £100m is earmarked by the Government for tourism under the revised five-year plan for camps, parks, health spas and pleasure complexes as well as for hotels and motels. The hope is that this will be matched by a similar amount from the private sector.

Iranians know that as a comparative newcomer to tourism their nation does not yet have the full experience or management skills to do all this by itself and the authorities have stated clearly that they want foreign help in developing facilities as well as more involvement by the Iranian private sector. A low cost loan programme has been set up to encourage private investment.

Not that existing facilities are bad: I stayed in several hotels that match good European standards and I found that the Tourist Accommodations Corporation (TAC) operates several hotels with restaurants that have charm as well as efficiency. I am thinking especially of the delightful Shiraz Inn and the Moshir Restaurant, also in Shiraz. But in some other cases, I found camp sites and hotels badly designed or with incompetent service.

As in other industries, foreign investors in tourism receive various tax incentives and guarantees, but generally are not allowed to acquire majority holdings. But British companies have not so far seemed eager to participate in the TAC chain of hotels, restaurants and camping sites, or in other tourist ventures.

Both the Japanese and Americans are active in the hotel trade, especially in Tehran where there is a new Sheraton, major new extensions built or planned for the Hilton and the Intercontinental, and plans for a 700-room Japanese-built hotel designed by Kenzo Tange. Construction of this last project has been postponed for the time being.

The only British venture I could find is at Ramsar, a



The tomb of Omar Khayyam at Mashhad.

sizable resort on the Caspian. Here I was intrigued to come across a team of nearly 40 young British men and girls, aided by a few French and Italians, eagerly rooming a new gambling casino in a converted summer palace of Reza Shah, all statues and arching balustrades that would look perfectly in place in Juan-les-Pins. Commander W. Meadeo, from Dorking, has a minority interest and provides the management as well as the croupiers and restaurant staff. The casino offers baccarat, blackjack and so on, and caters mainly for rich Iranians (Tehran is only 30 minutes flight away), but would also like to attract more visitors from abroad.

Fast developing coast

The large fitted carpet is now being fast developed. An £8m tourist complex west of Chalus is due to open next year, complete with yachting marina, airport, casino and sports centre. The foreign partner is Hyatt (America).

Elsewhere, a network of low-priced camping sites is being laid out, for popular tourism. This Caspian coast is grey, humid and shabby by most western standards: it would not excite many Europeans, but may well have a big future with Iranians, who adore to escape from their parched hinterland to any kind of coast.

Between the Caspian and Tehran are lovely mountains and cool upland valleys, Swiss in their beauty. These might have far more appeal for western tourists than the coast itself, but need to be equipped with the right kind of hotels. Already, smart ski resorts are being developed in these mountains, not far from Tehran. Most of the ski equipment I saw was French, while the building work is often Finnish.

In other parts of Iran—in Isfahan, Shiraz, where an arts festival takes place every summer, Tabriz and smaller centres, there is big scope for new hotels, especially in the medium range

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Company Progress Report

MAJOR STEP TOWARDS COMPLETE INDEPENDENCE OF THE CAR INDUSTRY IN IRAN

Report by Mr. Mahmoud Khayami, Chairman of the Board of Directors, Iran National Industrial Manufacturing Company, on the occasion of the Inauguration of the Company Foundry and Engine Production Plant by H.I.M. the Shahanshah Arya Mehr, on Saturday 19th October, 1974

As a result of the White Revolution, Iran National was established in October, 1962, for the purpose of manufacturing buses and light commercial vehicles. On 19th March, 1964, its plant was inaugurated by His Imperial Majesty Shahanshah Arya Mehr.

A licence for the expansion of the plant was obtained in March, 1966. Since then production has increased to the extent that in 1973 Iran National produced 91% of all buses registered in Iran. During the same year Iran National exported about 50% of its production, resulting in substantial foreign exchange earnings.

Iran National at present has the capacity to produce 10 buses per day, which makes this Company the second largest producer of Mercedes buses in the world.

The countries to which Iran National has exported buses and minibuses are as follows:

Europe	Romania
Poland	
Asia	
Abu Dhabi	Kuwait
Afghanistan	Pakistan
Bahrain	Saudi Arabia
Dubai	Syria
Iraq	Yemen
Qatar	
Africa	
Egypt	Lesotho

Passenger Car Manufacturing:

In September, 1964, Iran National was granted a licence to manufacture four cylinder passenger cars. The production facilities for passenger cars (Paykan) were inaugurated by His Imperial Majesty Shahanshah Arya Mehr on 13th May, 1965.

On this memorable occasion specific orders to increase local content and capacity were given by His Imperial Majesty. These instructions have since been the guidelines of Company Management.



Their Imperial Majesties looking at a completed engine

In pursuit of the above guidelines the initial annual production capacity of 3,000 units has been increased to 75,000 units with local content now exceeding 60%.

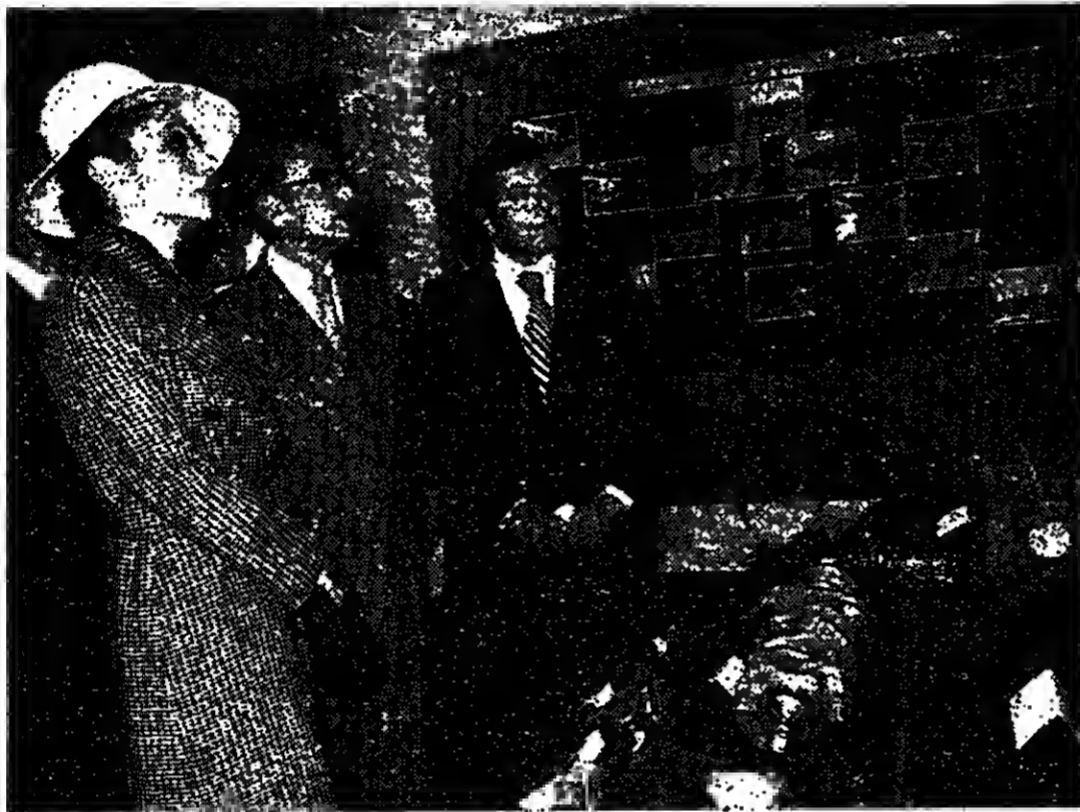
With the support of the Government's economic and protective policies, Iran National will reach the ultimate goal of producing Paykans with 100% local content by 1980. In that year production should surpass 500,000 units per annum.

Light Commercial Vehicle Manufacturing:

In 1965, with the introduction of Mercedes Benz new light commercial vehicle to the European market, Iran National management decided to include this range of vehicle in its production for the home and export markets. A year later in 1969 facilities were inaugurated by Her Imperial Majesty the Shahanshah and the Crown Prince.

Iran National has at the present time the capacity to produce 30 light commercial vehicles per day making Iran self-sufficient in light commercial vehicles. This also resulted in Iran National becoming second largest producer of this range of Mercedes-Benz vehicles in the world.

Iran National has helped in the development of a wide range of auxiliary industries which will employ as many as one hundred and twenty thousand engineers, technicians, skilled workers and office staff by the end of the Company's expansion programme.



The Shahanshah and Empress Farah inspecting some of the locally made components with the Chairman of the Board of Directors of Iran National, Mahmoud Khayami.

Already, the following auxiliary industry companies collaborate with Iran National in supplying it with auto parts:

Company Name	Type of product
Abkari Fard	chrome plated parts
Ertchadieh	lamps and insignia
Asirco	washing material
Iran Bayka	cables
Iran Abzar	seat hinge forgings
Iran Gjarh	foam rubber
Iran Muffler	exhaust muffler
Iran Moquette	floor covering
AMA	welding rods
Iran Yasa	rubber matting
IDAM	diesel engines
S. F. Goodrich	tyres and tubes
Buchan	seat springs
Buzane Gas	liquefied gas
Pars-America	aluminium profiles
Plastiran	plastic parts
Plascokar	plastic profiles
Polyrang	paint and thinner
Pars Tochiha	lamps and bulbs
Pakshie Kahl	cables
Fazel Rubber Profiles	rubber profiles
Niroo Battery Distribution	batteries
Towam	rubber parts
Toild va Tasfih Roshan	lubricating oils
General Tire & Rubber (Iran)	tyres and tubes
Dadfar	floor covering
Daga	carbonic gas
Daico	petrol tank entry pipe
Radiator Iran	radiators
Reza	wheel ring, bumper, hub cap
Zar	main springs
Zartoshdi	upholstery fabric
Sellafibre	7-ply wood
Sepanna	steel profiles
Shahvand	rubber matting
Shell Oil (Iran)	lubricating oil

Shemin	mask
Fibre Iran	fibre wood
Kufard	radio
Latex	super foam
Lehim Iran	soldering tin
Miral	glass
Marlinext	floor covering
Iran Cardboard	cardboard
Navar	thread and string
Nobaf	felt
Volkan	rubber hoses
Hamdad	oxygen gas

FUTURE PLANS

Iran National has signed an agreement with Chrysler U.S. whereby the responsibility for the supply to Iran National of automotive parts from Chrysler U.S., Chrysler France and Chrysler U.K. rests with that Company.

Within the framework of this agreement Iran National with the cooperation of Chrysler has reviewed and revised its plans for the manufacture of the following passenger cars:

Production Models

1. Various models of Paykan with improvements in appearance and safety devices will continue to be produced.
2. A smaller car especially designed for Iran and with an Iranian name will also be produced.
3. A station wagon to serve larger families and transport needs will be produced.
4. In order to satisfy the luxury segment of the medium size car market, a larger car with a completely new design will be launched into the market.

This car will have front wheel drive and other excellent technical specifications; it will be introduced simultaneously in Iran, Europe and the U.S.A.

With the inauguration on 19th October, 1974, of the foundry and the engine manufacturing plant by His Imperial Majesty, Iran National has achieved a major step towards economic and industrial independence.

Iran National, participating with other major international companies and utilizing their technical knowledge and experience, has established manufacturing facilities outside the city of Teheran for manufacturing of automotive components.

At present IDEM in Tabriz provides Iran National and other Daimler-Benz truck manufacturers with their total requirements for diesel engines.

With the participation of the Swedish Company S.K.F. a major part of Iran's needs for ball bearings is being met.

In the Holy city of Mashad, road wheels, bumpers and other components for the Paykan and Mercedes vehicles are being manufactured. Furthermore, a long term contract to export these components to Europe is being concluded.

Manufacturing contracts with Mahle for pistons; British Oxygen Ltd. for electrodes and welding equipment; Automotive Products Ltd. for clutch and

brakes; Dana Incorporated for axles; Laepple for press toolings; and Lucas and Marshall for electrical components have either been signed or are in the process of finalisation.

Plans for joint ventures with other well known international companies for the manufacture of other components are under consideration.

Within a maximum of two years, these companies, the majority shares of which will be owned by IMDBI, other Iranian banks and the public, will start production in various locations of Iran such as Mashad, Tabriz, Zanjan, Sareh, Esfahan, etc.

The participating companies, which are the largest producers of automotive parts in Germany, England and the U.S.A., have all agreed to export from Iran. This demonstrates that local production will reach international standards. There is no doubt that these ventures will necessitate local technical research which will result in technological independence.

Foundry and Engine Plant

Upon His Imperial Majesty Shahanshah Arya Mehr's instructions and with the Government's support, the Foundry and Machine Shops inaugurated last week are for the purpose of increasing the local content of Paykan engines. The two Junker electrical furnaces have a capacity to melt 8 tons an hour, sufficient for pouring gray iron castings for 300,000 units of engines. The capacity will increase, by 1980 to supply parts for 500,000 units of engines.

The Engine plant will have the capacity to produce 153,000 engines in 1975 and 360,000 in 1976. The expansion planned for this plant will enable it to manufacture 500,000 units of various types of four cylinder engines within a few years.

Subsequent to full operation of the Foundry and Machine Shop, all Paykan engines will be equipped with an increasing number of parts made in Iran, and this country will be well on the way to becoming self-sufficient in this respect.

The Paint Shop as well as the Seat Making and Trim Shops are designed for producing 300,000 units.



Their Imperial Majesties in the engine plant

SUMMARY OF INVESTMENT IN TEHRAN

	U.S.
Total Investment North Plant	48,580,000
Expansion stage 1	41,642,000
Expansion stage 2	36,214,000
Expansion stage 3	36,881,000
Expansion stage 4	420,788,000
Total	578,515,000
1 US \$ = 67.5 Rls.	39,080,282,500 Rls.



Workers of Iran National parade during the inaugural ceremony

Employee Relationship and Services

Iran National with about six thousand workers is one of the largest private enterprises in Iran. By 1980, future programmes will increase manpower requirements for Iran National alone to 28,523 people. The supporting supplier industry as a whole will employ about 100,000 people.

Iran National has always tried to promote the utmost use of its manpower by creating a proper wage and salary system and better social benefits for its employees. Since it is the major employer in the Iranian automotive industry, its personnel policies have had an effect on other companies as



Iranian and foreign technicians are presented to His Imperial Majesty

well. In order to achieve the goal of its personnel policies Iran National, among other steps, has taken the following actions:

1. Job classification and evaluation.
2. Execution of Labour Law, Profit Sharing Law and Social Insurance.
3. Provision of Social benefits.
4. Provision of housing and the formation of the Iran National workers housing complex.
5. Provision of housing loans without interest.
6. Establishment of a cooperative store with 25% discount on foodstuffs.
7. Provision of emergency loans.
8. Construction of sports facilities.
9. Provision of social and medical services.
10. Establishment of training and educational programmes.
11. Sales of shares to employees.
12. Establishment of special new provisions for family allowances.

Iran National's Workers Housing Complex

This is a small town of 185,938 sq. metres with 57 blocks of apartments varying from 4 to 12 floors. There are 254 units of one room, 326 units of two rooms, 552 units of three rooms, 552 units of four rooms making a total of 1,854 flats for housing 8,736 people.

All these units have bathrooms, kitchens, a proper drainage system, central heating, gas, water, electricity and telephone facilities. There will also be public buildings such as an education and social centre, a mosque, shops and supermarkets, a medical clinic, public bath, a restaurant, a cafeteria and cinema. The inhabitants will have the use of the Iran National Sports facilities which are within 400 metres of the complex as well as the Iran National technical training school. Half of this complex is ready for use now and the rest will be completed within two years.